THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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IS SUBSIDY BILL BEST ADJUSTMENT OF RATE PROBLEM?

Business Asks if Interference With Competitive System is Advisable

WHEAT EXPORT TAX

Demand For Steel Products Expands—Capacity Operation in States May be Short Lived

The announcement by the Federal Government of its programme and policy for the coming year has given the business community abundant food for thought and speculation. A new issue was introduced in the proposal to subsidize an ocean transport company in an attempt to break the North Atlantic shipping combine, which, it is alleged, is charging such exorbitant rates as to restrict immigration and retard normal distribution of Canadian products. Any reference to such vitally urgent matters as tax reductions, was conspicuously absent. In their turn, the opposition announced a national protection policy favoring an immediate revision of the tariff. Another major issue arises out of the recommendation of the Royal Commission on grain, that an export tax be placed upon wheat in course of shipment to the United States.

Apart from the usual political accord or discord in connection with the subsidy bill, better business judgment reserves a final statement of opinion, pending the receipt of further evidence. The urgency of cheap and efficient marine transportation for a country so dependent upon export trade no one will deny. But the method adopted to attain this end is being critically analyzed. The business man naturally asks whether or not an artificial stimulus of very questionable strength, can have any material effect in an attempt to defeat a highly organized branch of an alleged world-wide combine. As pointed out elsewhere in this issue, the experience of the Canadian government, in the capacity of ocean carrier of the past, has been none too reassuring. It would now appear that we are going to compete against the world, and ourselves as well, with a ridiculously small subsidized tonnage. Canada is vitally concerned in obtaining the lowest possible ocean rates, but the attempts of the Canadian government, and of other governments, to interfere with a system which for many generations has been based on free competition, have been highly unsuccessful. A recent example is the case of the Great Lakes shipping situation. The question has been asked whether or not the Subsidy Bill was merely introduced to divert attention from vital issues such as taxation.

The Export Tax on Wheat

As pointed out in another column, posssible government action on the recommendation of the Turgeon committee to place an export tax of 42 cents on wheat entering the United States must be subject to the approval of the wheat farmer who is the one most closely concerned.

That such a tax would, in the last analysis, be to the interest of the Western farmer is not always taken into account by his petulant spokesman, who sometimes overlooks the fact that the temporary diversion of wheat into the American market, for milling purposes, does not widen the market for wheat. The goal of the wheat is Liverpool, and the world consumption is not changed by changing the point of milling. Furthermore, that the unfavorable effect of having a lower grade of flour advertised in the world markets as Canadian flour must ultimately react on Canadian wheat is easily seen by the shrewd farmer. The advantages accruing to Canadian labor and to the Canadian millers are obvious.

Steel Industries Expand

The general business situation has changed little. Steel production for February is expected to be in excess of the January figure, due, largely, to increased orders for railroad equipment. Foundries are buying freely and automobile plants are experiencing seasonal trend towards maximum activity in March or April. United States steel plants are operating to capacity and are booked ahead for several months. This seems typical of the various lines of industry in the States, but there is a rather marked tendency towards caution. An interesting observation is made by Hayden Stone & Co., of Boston, that while reports for the current quarter will show a marked improvement over the last two, they add that capacity operation and top prices have not left much to discount. "It seems probable," they state, "that profitable operation for the first six months will be followed by declining operations—at lower prices—in the last six months, just as they have been in the last two years."

Big Smelter Provided B.C. With Large Town

From Our Own Correspondent.

KIMBERLEY, B. C.—From the status of a community served by a one-roomed school, this town has advanced in three years to that of a town with a public school of seven divisions—consequent on the expansion caused by the erection of the concentrator by the Consolidated Mining & Smelting Co. of Canada, and its development program at the Sullivan lead-zinc mine. Two mails a day are now being arranged, to connect at Cranbrook with trains both eastbound and westbound, and with the spring, work will open on a 20-ft. wide highway between Kimberley and Cranbrook. In the past year the company's outlay in wages and materials is estimated at $3,000,000, and shipments were equivalent to 8,000 cars.

A WHEAT EXPORT TAX IN INTEREST OF THE FARMER

Would Safeguard Standard Without Limiting the Market

Those interests in Canada which are most deeply concerned with the proposed export tax on wheat shipped to the United States. as recommended by the Turgeon Commission, are the wheat farmers of Western Canada. It is only fair, therefore, that action in the matter be subject to the approval of the farm organizations.

The opinion that the export tax would, in the long run, work to the advantage of the farmers of the West is based on a careful analysis of the grain and flour trade, from two viewpoints. In the first place, the world consumption of wheat is a relatively fixed quantity. Prices are determined in the Liverpool market, and the flow of Canadian wheat, as with wheat from elsewhere, is towards the British market. For the flow to be turned directly to its goal rather than having to pass through by-ways, is not going to limit the world consumption of the product, nor is it going to affect the setting of prices, based as they are on the world's visible supply rather than the supply at any particular place.

The second point is based on the flour trade. At the present time large quantities of Canadian wheat are milled in bond in the United States. Without any very tangible proof, it is common knowledge that blending with a lower grade of American wheat is carried on, and the product sold abroad as Canadian flour. In this way, Canadian flour which is admittedly the best in the world, has its high standard and reputation interfered with. This must inevitably react upon Canadian wheat from which the flour, supposedly, is entirely made. The marketing abroad of an inferior grade of flour, as Canadian flour, cannot but damage the reputation of even our hard grades of wheat.

It is thus evident that the market for Canadian wheat would not be limited by the imposition of an export tax, but on the other hand, our hard grades would be protected. The farmer, therefore, would himself benefit from such a step, aside entirely from the advantages accruing to the country in having the work done here, and to the millers, in having the additional business.

Whalen Reorganization Scheme About Ready

E. M. Mills, receiver of Whalen Pulp and Paper Co., acting with the bondholders committee, has stated that steps are being taken to put the company on a new and sound basis. Debenture holders sometime ago received a letter from Pres. T. W. McGarry, stating that 1st mortgage bondholders wanted a scheme of reorganization submitted and the proposal now about ready is believed to be the result. Whalen assets are estimated at $5,000,000. Pulp markets have improved about $2 and this means much to the company. While the reorganization plan has not been made public it is believed that it provides that ultimately the company will go into newsprint production. There is a ready market all down the Western coast.

Cosgrave Shares Jump on Strength of O.T.A. Change

The announcement in the speech from the throne of the Ontario House, that changes were contemplated in the O. T. A. to allow for the sale of stronger beer, was reflected immediately in the market for Cosgrave Brewery shares. A week ago they were selling at 4¾, Saturday 5¾ and on Tuesday afternoon they jumped to 7 and are now strong at that price. The shares are now on a 7 per cent. dividend basis.

Western Farm Land Sales Increase; Demand is Keen

WINNIPEG.—More farm land changed hands in the past three or four months than during the two preceding years. Since October last sales have shown steady improvement under a keen demand. This information was secured from a dealer in farm lands, who says that inquiries have been received from American farmers who wish to take up land in the Canadian West and intend to bring their families also across the boundary line.

U.S. PAPER MILLS TRYING TO SWING POLITICAL STICK

Hope to Frighten Canada Into Stopping the Embargo

THEY NEED PULPWOOD

Statement That Pulpwood Shipments Small and Unimportant Shown up by U. S. Purchasers

From Our Own Correspondent.

MONTREAL.—Any Canadian who had sat in at last week's meeting of the American Pulp and Paper Association would probably have become a convert to the Canadian pulpwood embargo at once. The fear expressed by the various speakers at that convention as to the embargo's possible effect on their industry, in weakening it while the Canadian industry would become stronger, seemed to be a most effective answer to the arguments of Canadian opponents of the embargo that the shipments of pulpwood from Canada are small and unimportant in any event.

It is evident that the United States paper makers and publishers intend to use all political force available to fight the proposed restrictions, either in the shape of an embargo or an export tax. The statement of Dr. Hugh P. Baker, secretary of the American Paper and Pulp Association, that they are asking the United States government to recognize the fact that the embargo is designed to embarrass consumers and gain control of the American paper market points the direction that will be followed.

An Oratorical Outburst

Another significant speech at the convention in New York, delivered by Senator George H. Moses, of New Hampshire, was significant in the threats of what the United States would do to Canada if this country enforced the pulpwood restrictions.

Extracts from Senator Moses' speech are reprinted here in order to indicate the trend of United States thought on the question. The quotation is the New York Times' report:

"There cannot at any stage of the proceedings that produced the present crisis have been anything but a selfish purpose to dominate the American market. In the face of that stands the dominant American policy to hold the market, the best in the world, and extend it to the foreign markets on a basis of honest competition.

"If it can be there are those of our neighbors forgetful of the century of peaceful and amicable relations that has prevailed, surely no one here will forget the pride with which the United States hailed the negotiation of the Rush-Bagot Treaty, and no one here, looking back on the century or more of unruffled peace, can now fail to remember that the first gesture in what may prove to be a disastrous trade war was made not by Columbus but by the Lady of the Snows.

"We are speaking now as Americans, as business men, as friends of peace, when we try to point out the course on which she seems to be embarking, urged by a group that forms a noisy, aggressive and insolent minority motivated by self-interest. It cannot be our neighbor will give heed to such a cry and will attempt to do its urging against a great-hearted friend who wishes none but good to Canada.

Threats of Retaliation

"We cannot forget that within our generation a great golden stream of American capital has gone into the northlands to help build up its communities and that many of our people have gone there.

"But if the co-operation we have extended seems now about to be repulsed, let it be known of all men it is not we who have taken the aggressive part and let it be known that if it comes to us we are not unready.

"Our tariff laws give us ample protection against discriminating and unfair competition. Do not forget that there happens to be in the United States several thousand miles of Canadian railroads on which we may lay regulation, if not embargo.

"Do not forget that we control many of the raw products that are necessities of life and industry in Canada, especially in the paper industry. An embargo on coal or on sulphur, each of which lies within a stroke of the pen of the president of the United States, would be sufficient protection. Those who speak for you at Washington will be neither dumb nor inept in the event

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Beatty Thinks Power Export Would Be a Grave Mistake

By E. W. BEATTY, Chairman and President, Canadian Pacific Railway.

The question of the advisability or otherwise of Canada permitting the export of power is, I think, one of outstanding importance, if we bear in mind the factors which will contribute to the country's future development. Those who advocate that it should be permitted, do so on the theory that the country has much power which might be developed and which would not be required for its present commercial necessities or those likely to arise in the immediate future. They therefore argue that this wealth should be realized upon through its being sold in the United States. On the face of it, this would appear to be a reasonable contention if applied to an ordinary commodity. Obviously the export of Canadian power would lead to the establishment of industries in a foreign country and occupation for many thousands of workmen.

However, once permission were given and, in consequence of the power supplied, industries were established, communities developed and towns and cities supplied with light and power in a neighboring country, it would, I should think, be impossible to have the concessions withdrawn. If this is a correct deduction, then one of Canada's greatest assets would be diverted to contribute to development elsewhere to the detriment of Canadian industrial expansion in the future.

Canada has many natural advantages which we must concede form the basis of its future development and commercial expansion. The possession of vast water powers is among the most important, if not the most important, and will be of the utmost consequence in attracting industries to this country. It is therefore only the part of ordinary wisdom that these resources should be conserved in order that the country itself should realize the greatest benefit from them in the immediate and distant future. In these circumstances, I would think the granting of permission to export power would be a grave mistake.

Wyer Report Says the Hydro Has Big Sinking Fund Deficit

Investigation by Smithsonian Institution Charges That $19,000,000 Will Have to be Made up—Weakness is Not New—Government May Force Higher Rates To Protect Taxpayers

In connection with a study of the energy resources of the United States, the Smithsonian Institute, in conjunction with the United States National Museum, has been making a survey of the power situation. In this connection, a report has been made by Samuel S. Wyer, Associate in Mineral Technology, U. S. National Museum, in which he offers criticism of the financing of the Ontario Hydro Commission's various projects, although taking no stand for or against public ownership as a principle. His point is that, largely because ample provision has not been made for sinking funds, the cost of power is actually higher than has been charged for it, and in twelve years there has been created a deficit of over $19,000,000, which must eventually be paid by the general taxpayers for the benefit of those who have had power at less than cost. He says in brief:

> Up to date the electric consumers from the governmentally owned hydro-electric system have failed to pay the actual cost of the services they received—using the term "cost" as defined in section 12—by $19,147,014. The Hydro-Electric Power Commission Act was passed in 1906 and most of the development has been within the last 12-year period.

To what appears to be a cold and impartial summing up of the finances of Hydro, Sir Adam Beck has replied with a typical attack upon the standing of the Smithsonian institution, which he declares "has been made available to the big power interests in an attempt to injure the co-operative efforts of people of another nation to avail themselves at the least possible cost of the benefits of the country's resources," etc., As usual, he avoids a business-like statement of the Hydro's financial position, and devotes himself at great length to an effort to show that any criticism of his project from a foreign country is in the nature of a national insult.

Not a New Point

The criticism that Sir Adam Beck's financing of his public ownership projects has not been altogether sound is not new. It is generally accepted that the municipal end of the undertaking has been fairly well taken care of in the way of providing sinking funds, but the same cannot be said for the general developments which have not only been carried through on the credit of the province, but largely on advances of provincial funds. For some years security dealers both in Canada and the United States have been venturing the opinion on behalf of the investors buying Hydro bonds that ample sinking fund provision was not being made.

A report submitted to the Bond Dealers' Association of Canada in June, 1923, showed that in the case of Ontario the sinking fund in hand against provincial obligations was only $9,100,000, as compared with calculated requirements on a 4½ per cent. basis of $44,870,000 to take care of outstanding issues at maturity. Of the deficiency in sinking fund of $35,770,000, it was generally understood that the bulk could be laid to the door of the Hydro Commission in regard to bond issues made to finance the commission's projects.

Forcing Higher Rates

Since that report was made, some improvement has perhaps been made, but it is accepted that the situation is still far from healthy, and it is understood that it is the financial policy of the Ferguson government to effect a betterment in stability in the eyes of the investment world. In this connection the pressure of the government for larger sinking funds is un-

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Are We Lacking in Courage?

Editor, THE FINANCIAL POST:

A challenge has been thrown to Canada. United States publishers, paper makers, newspapers and politicians, have told us that if we put into force the embargo or near-embargo on the export of unmanufactured wood that they will consider it most unfriendly of us. They have begun a most insistent clamor against Canada's threatened action. The attitude of the press despatches from across the line is "Embargo wood if you dare."

Why all their worry at the present time? There seems to be no likelihood of the embargo. Certainly there is little in Canada's history to indicate that we are likely to establish any fiscal policies having in mind the development at home of Canada's natural resources. There is no reason to assume that we will be any more determined in carrying a Canada-first policy in the embargo than in any of the other economic measures that we have effected over a term of years. True it is that nearly every public man in Canada has come out unequivocally for the embargo; that the men who know the paper industry best have voted a resolution for it; that the press is almost unanimous in its demand for the embargo. But what does that count for? It has been the same not only for months, but for years, and still our wood is being shipped abroad at the same rate as before. There is neither whisper nor hint of the embargo or export tax.

Fiscally, Canada has been tripped, jumped on, beaten, slammed and hammered. Yet we are as ready to-day to give away our raw materials, to welcome foreign manufactures, and to submit gracefully to any foreign tariffs that cut off our markets and wreck our prosperity as we have been almost continuously since before Confederation.

Until Canada shows real courage in establishing a sane fiscal policy, all the outbursts against the embargo seem to be cannonades fired at a straw man.

Yours for our own country,

Montreal, P.Q. Frederick R. Phelan.

OTTAWA TOUCHY ON QUESTION OF CUTTING TAXES

Campaign of Business Men Seems to Rub a Sore Spot

From Our Own Correspondent.

OTTAWA.—There is evidence of growing resentment between certain members of the government and some of the leaders of industry and finance who have been leading the agitation for reduced expenditure and reduced taxation, this being evident by Hon. G. P. Graham's recent remarks about the "Montreal Crowd." It is possible that too much has been made of the incident, for the minister of railways is skilful at bantering. Still, there is no doubt that it struck some in a sore place.

It is possible that this feeling may have developed no matter which party was in power. The business interests see trouble ahead if taxes are not cut. They are very high now, and there is no immediate relief in sight. This is what is getting on the nerves of many of them, which fact is easily disclosed by conversation with those who drop into the capital from different parts of the country.

Of course, the government's side is that the uncontrollable expenditure is so high that present revenue has to be raised, which means that taxes will have to remain pretty much as they are for a while. What gets the business interests especially is that they have to compete against American firms, who carry a much lighter burden.

There is also the conviction among many business leaders that there cannot be much relief from these burdens until the government gets out of some of its losing propositions. A year ago it thought there was a possibility of getting out from a good part of the railway burden within a few years, but recent remarks made by more than one person in high place indicate that this hope has been reduced.

There is no doubt that some Montrealers have stirred up matters by calling attention to the invisible debt that the country is carrying through bond guarantees, and on which the government has to come through to the extent of quite a few millions a year. Of course, the government says that it is not responsible for this, for it found the child on its door step.

It is impossible to say just what may develop out of the situation, but it is quite evident that it contains material for a rather loud explosion.

CANADA HAS HAD PAST EXPERIENCE WITH PETERSEN

A Sympathetic Government Returned Deposit He Forfeited

HIS PLANS FAILED

Fast Atlantic Service Did Not Materialize—New Scheme Now Under Analysis

From Our Own Correspondent.

MONTREAL.—Canada's desire to get her products to world markets at reasonable costs has started a fight between the Canadian government and the organized shipping lines, plying their boats on the North Atlantic. The government's announcement of the subsidizing of a new line of boats to be established by a company controlled by Sir William Petersen has come as the opening gun. It has been followed by the barrage of condemnation of the shipping companies by W. T. R. Preston in his report to the government on the operations of these companies in establishing rates for the handling of Canadian products between this country and Europe.

Unfortunately for shippers who are keenly interested in knowing if there really is a shipping monopoly on the Atlantic, operating against their interests, and who desire, if such is the case, that its operations should be curbed, the two important stages of the government's fight to date seem more effective as publicity stunts than in their promise of anything definite to shippers. The arrangement with Sir William Petersen leaves much doubt as to its effectiveness in view of the fact that the ten boats can hardly provide any serious competition among the hundreds that operate on the North Atlantic; certainly, there is little to suggest that the arrangement will provide any more serious competition than scores of tramp steamers that have been carrying cargoes between Canada and Europe. That the Petersen boats will reduce their own rates below the general level is not to be gainsayed; to that extent most of the $1,000,000 of the government will go back into the pockets of the Canadian shippers and be a subsidy to them to that amount. But to judge from the statements of the other shippers they are in a position to ignore the Petersen competition entirely and if this happens the only result will be to give a few shippers low rates while the general level remains the same.

Petersen Fell Down Before

A second weakness in the Petersen scheme and one that should be clearly understood by Canadian business men is that Petersen on one previous occasion entered into a contract with the Canadian government to provide a fast steamship service on the Atlantic and failed utterly to live up to his agreement.

The Petersen charges bear every ear mark of having been prepared to order, a suspicion that is strengthened by the previous record of W. T. R. Preston and the publication of the

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PICTOU'S VALUABLE SHALE

From Our Own Correspondent.

SYDNEY.—Tests conducted by the Dominion Council of Scientific Research are continuing at the N. S. Technical College, Halifax. A progress report says that Pictou county shale has yielded 50 gallons of high-grade paraffin to the ton, and that there are at least 100,000,000 tons of shale immediately available.

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Dividend No. 152

Notice is hereby given that a dividend at the rate of 8% per annum upon the Paid-up Capital Stock of the Union Bank of Canada has been declared for the current quarter, and that the same will be payable at its Banking House, in the City of Winnipeg, and also at its branches, on and after Monday, the Second day of March, 1925, to shareholders of record at the close of business on the 14th day of February next.

The Transfer Books will be closed from the 16th to the 28th day of February, both days inclusive.
By order of the Board.

J. W. HAMILTON,
General Manager.

Winnipeg, Jan. 16th, 1925.

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FOX FARMING IN N. B.

FREDERICTON. — The breeding of foxes on special farms is by no means confined to Prince Edward Island. Early in the month the organization of breeders of silver foxes in New Brunswick was announced with 100 names on the list.

NEW FISH AND MEAL PLANT

HALIFAX.—A fish meal plant, with the latest improved machinery, is being established on the premises of the National Fish Co. here. The plant will be in operation shortly and a fine grade of fish meal will be manufactured for domestic and export markets.

SUGAR INDUSTRY IS SUBJECTED TO RADICAL CHANGES

World Output and Consumption Both Expanding at Rapid Pace

Certain fundamental adjustments are taking place in the world sugar situation which have to be taken into account both by refiners and by the planting countries, on account of their bearing upon prices and upon the future of the industry. They apply both to production and to consumption and may be summarized as follows:

1. The radical increase in European beet sugar output.
2. The increase in Cuban and Java production.
3. The corresponding expansion in consumption, especially European.
4. The widening market in the Orient.
5. Tariff adjustments in leading consuming countries.

During the past year the world's sugar output amounted to 19,700,000 tons. The 1924/25 crop is estimated at 22,700,000 tons. Of this 3,000,000 ton increase, Europe alone is responsible for 2,100,000 tons as result of expansion in beet acreage. Czecho-Slovakia is expected to produce 1,450,000 tons against 1,000,000 last year. France should yield 800,000 tons against 490,000 tons last year. Germany is expected to turn out 1,640,000 tons in comparison with 1,146,891 in 1923/24. Russia still requires large imports but has increased her output in the last two years.

Last year the Cuban crop amounted to 4,066,642 tons and the estimated yield for this year is 4,725,000. Of this, about 95 per cent. is for export, the home consumption being very small. Most of the Cuban exports are marketed in the United States, but it is expected that Europe may require some Cuban sugar this year. In addition to Cuba's increase, Java has just realized the largest output in her history, 2,000,000 tons.

Meanwhile, European buying power has expanded materially and it is expected that last year's consumption of 6,500,000 tons will be increased substantially during 1925. It is sometimes overlooked that consumption of sugar is extremely elastic, and may vary widely according to purchasing power and also to price. it is estimated that had it not been for the effects of the war, the world consumption would probably now be in excess of 25,000,000 tons. As the economic situation in Europe continues to mend, the consumption of sugar continues to expand, and there is no fear held that the enlarged production cannot be disposed of. During 1924, the world production was 1,580,000 tons greater than during the previous year. This year's crop is estimated at nearly 4,000,000 tons greater than last year's. Consumption, however, keeps pace, and the beginning of 1925 found practically no carryover from the previous year.

In the Orient, both Japan and China show an inclination to increase the amount of sugar in their diet. In 1912 Japan consumed 195,510 tons, while in 1922 her consumption amounted to 671,471 tons, a rise of from 6 to 19 pounds per capita. The per capita consumption in the United States, incidentally, is 100 pounds, so there are vast possibilities of expansion in Japan. China's imports are a rather uncertain factor at present, but her tendency to use more sugar as an integral part of the diet is in evidence. British India produces only a small part of her requirements and is becoming a more important factor in the world markets.

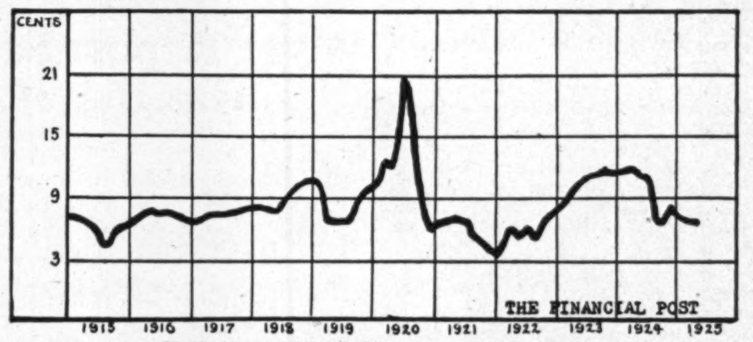
Great Britain is the largest sugar importer in Europe, her consumption last year amounting to some 1,700,000 pounds. This was stimulated by a reduction in the duty on refined sugar from 5.38 cents per pound to 2.45 cents last April. This is bound to be an important factor in world consumption. The United States tariff of 1.7648 cents per pound is becoming subject to considerable criticism. A material reduction was proposed by the tariff commission in Washington last year, but no action has yet been taken. All these factors seem to point to an ever widening world sugar consumption. Price movements obviously will depend on whether consumption lags on output or tends to overtake it.

All that has been said affects Canada more as a consumer than as a producer. At the same time, there seems to be an increasingly great opportunity for Canada to expand her beet sugar output, and produce a larger proportion of her own requirements, unless the increasing world output makes it less worth our while to go further into this industry. The lower labor standards in countries producing beet sugar would seem to point in this latter direction.

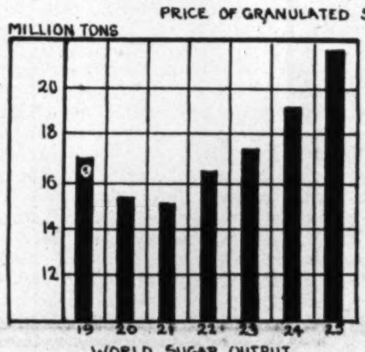
The following figures illustrate the statistical position of the Canadian industry at present:

CANADIAN SUGAR PRODUCTION
(Cane and Beet)

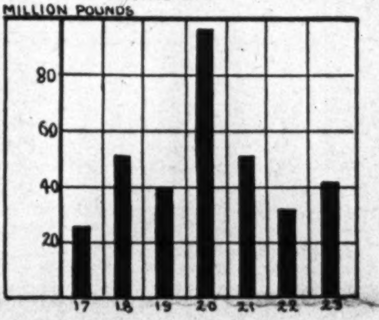
Four Weeks' Period Ended	(Pounds) 1924	1923
January 26th	15,586,430	25,795,197
February 23rd	79,720,881	63,926,383
March 22nd	75,533,521	97,022,220
April 19th	61,670,160	61,365,198
May 17th	81,222,858	75,587,070
June 14th	54,757,966	83,847,452
July 12th	88,773,980	79.487,382
August 9th	83,652,659	75,716,872
September 6th	55,932,946	55,606,233
October 4th	56,780,848	54,445,141
November 1st	75.311,931	56,948,131
November 29th	74,109.419	69,978,875
December 31st	53,680,939	32,615,905
Total	856,734,538	832,342,059



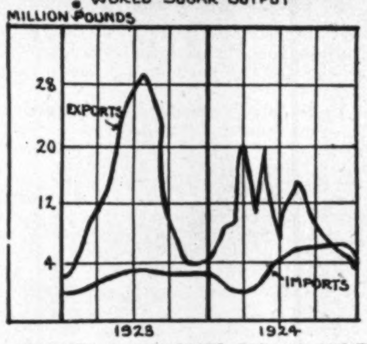
PRICE OF GRANULATED SUGAR—CWT.. MONTREAL



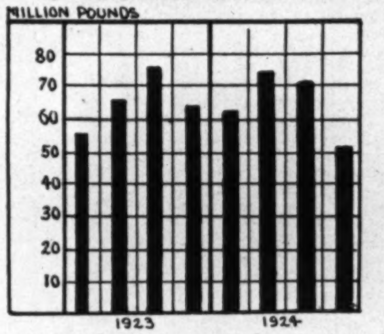
WORLD SUGAR OUTPUT



REFINED BEET SUGAR OUTPUT



EXPORTS AND IMPORTS REFINED SUGAR



CAN. SUGAR OUTPUT, Quarterly

Grain Loadings Down But Total Increases

The increase in car loadings which commenced late in December and which reacted slightly in January, continued during the week ending January 31, when total loadings were 51,640, or 1,207 more than the previous week. The increases were due to larger shipments of coal, pulp and paper, and merchandise. These gains were sufficiently marked to counteract the decline which took place in shipments of grain, pulp products and miscellaneous frieght, in comparison with those of the same period last year.

Wholesale Price Index Takes Another Jump

The upward trend of wholesale prices which commenced late in the year continued with increasing intensity during January. The rise amounted to 4.3 points, the index number being 165.2 as compared with 160.9 in December and 157.7 in November.

The general rise was the result of an increase in all of the eight groups, with one exception, non-metallic minerals and their products. A very marked rise took place in the case of vegetable products, from 175.6 to 187.6, as a result of the strength of the grain and flour markets. In the case of animals and their products, textiles, iron and its products, wood and its products, non-ferrous metals and chemicals there was a marginal increase. The index now registers the highest price level since August, 1921, when it was 165.5.

HEATON'S COMMERCIAL HANDBOOK

The 1925 edition of Heaton's Commercial Handbook of Canada has just been issued. This volume appears to be fuller and more complete than previous issues, and is a marked improvement in respect to binding, indexing and general make-up. It contains a wealth of valuable information on a number of phases of the commercial life of Canada, particularly customs rates, communication and transportation rates, and the names of public officials. A feature of the book is the volume of detail in connection with towns and municipalities which should be of value to American or British firms contemplating settlement in Canada.

YEARLY COST OF MOTOR CARS MORE THAN 3 BILLIONS

Rapid Increase in European and Asiatic Demand for Cars

According to the Feb. 2 issue of "Commerce Reports," published by the United States Bureau of Commerce there are now more than 22,769,000 motor vehicles in use in the various countries. The bureau estimates that the total amount of money spent last year by all countries for motor vehicles was something in excess of $3,360,000,000. Their analysis of the situation follows:

The first generalization from the registration figures is that the world in the past year has demonstrated its ability to assimilate 3,300,000 passenger cars and trucks and 200,000 motor cycles in a single year. At the very conservative figure of $1,000 as an average retail value for the cars and trucks and $300 for the motor cycles, the world spent $3,360,000,000 for new motor vehicles in 1924.

An increase of 2,750,000 in passenger cars and approximately 550,000 in trucks during the course of the year 1924 reveals the interesting fact that the latter registered a more imposing rate of registration increase than did the former, the figures being 23 per cent. for trucks and 17 per cent. for cars. This represents a tendency which may be even more pronounced during the present year. It substantiates the oft-repeated statement that automotive vehicles are coming more and more to fill the world's needs for commercial transportation. Motor cycles, too, pushed into more widespread use, as revealed by a numerical increase of 180,000 over the base registration of 1,075,000 at the beginning of 1924, but in this case the advance has to be attributed entirely to increased use in foreign countries.

Compared with the rest of the world, the United States now has 84 per cent. of all passenger cars, 74 per cent. of all trucks, and 11 per cent. of all motor cycles. Combining passenger car and truck figures to avoid the confusion arising from the practice followed by many countries of not classifying passenger cars and trucks separately, the United States still holds her dominant position to the extent of registering 82.5 per cent. of the total.

Looking at the world increase in motor vehicles from another angle, it is seen that the United States during the past year increased her passenger-car registration 16 per cent., as compared with 27 per cent. for the rest of the world. Carrying this comparison through the remaining categories, the 1924 world truck increase shows 19 per cent. for the United States against 37 per cent. for the rest of the world.

These comparisons on rate increase are interesting, inasmuch as they show that it becomes increasingly difficult for the largest automotive market in the world to maintain its numerical increase year by year on such a scale as to keep it uniformly ahead of the rest of the world from a percentage standpoint. Nevertheless, and in spite of the single exception in the case of motor cycles, the percentage increase for the United States in the case of passenger cars and trucks still represents enormous additions to our motor transport, as the above figures indicate.

Yearly Cost

Combining passenger cars and trucks, France and the United Kingdom, with gains of well over 100,000 each, lead all other countries in the progress toward more complete motorization. Numerically, they are followed by Australia, Germany, Canada, Argentina, Italy, Sweden, and New Zealand. A better index of registration growth might be the rate of increase. If this is taken, other countries will be seen coming rapidly to the fore with claims for recognition. These figures would include most of the more developed Latin-American countries (including Brazil, Uruguay, Cuba, and Mexico), India, Netherlands East Indies, Japan, the Netherlands, Union of South Africa—and thus the list could continue. In fact, it might be said that almost every market of any consequence could be included in this group of forward marchers.

Will Nature Reward the Hard Workers of Sable Is.?

From Our Own Correspondent.

SYDNEY. — Nova Scotia prospectors are excited over the reported find of an extensive oil area on Cape Sable island, off the western tip of this province. The welling is so pronounced that oil is said to be bubbling up in the centre of the main street of Clarke's Harbor, a small town on the island, which should not be confused with Sable Island, the graveyard of the Atlantic. Should the find prove valuable, it will be an outstanding case of providential justice, for the people of this district have for generations eked out a bare living from fishing and such farming as is possible on a barren coast. The whole province will rejoice to see them translated from poverty to riches.

Canadian Conditions

Car Loadings—		
	1925	1924
Week Jan. 31	51,640	52,355— 1.3%
	1925	1924
Yr. to date	245,202	235.308 +4.2%
Grain Receipts—		
Aug. 1 to Jan. 30	184,935,200	300,222,429—38.4%
Building—		
	1925	1924
January	$4,236,154	$4,087,102+ 3.6%
	1924	1923
12 months	112,978.719	120,174,563— 5.9%
Bank Clearings—12 months—		
	1924	1923
	$16,979,923,607	$17,332,632,355—2.%
Savings Deposits—Chart. Banks—		
	1924	1923
November	$1,231,861,390	1,179,914,963+ 4.4%
Current Loans—By Banks—		
	1924	1923
November	$961,349,103	988,221,179— 2.7%
Net Dominion Debt—Jan. 31—		
	1925	1924
	$2,415,471,564	$2,411,388,604+ .18%
Railway Earnings—		
November—		
	1924	1923
C.P.R.	$18,100,945	22,244,319—18.6%
Oper. ex.	12,071,064	16,133,849—25.2%
Net	6,029,881	6,110,470— 1.3%
C.N.R.	20.946,123	24,087,039—13.0%
Oper. ex.	17,231,819	19,478,662—11.5%
Net	3,714,304	4,608,877—19.4%
11 Months—		
	1924	1923
C.P.R.	166,811,984	176,700,415— 5.6%
Oper. ex.	133,314,044	143,177,532— 6.9%
Net	33,497.940	33,522,882—0.07%
C.N.R.	216,271,446	230,482,380— 6.1%
Oper. ex.	201,787,478	213,759,380— 6.1%
Net	14,483,968	16,723,069—13.4%
Balance of Trade—		
12 months, Dec. 31—		
	1924	1923
Exp.	$1,058,057,898	1.014,944,274+ 4.3%
Imp.	808,195,573	903,030,515—[illegible]
Bal.	249,862,325	111,913,759+[illegible]

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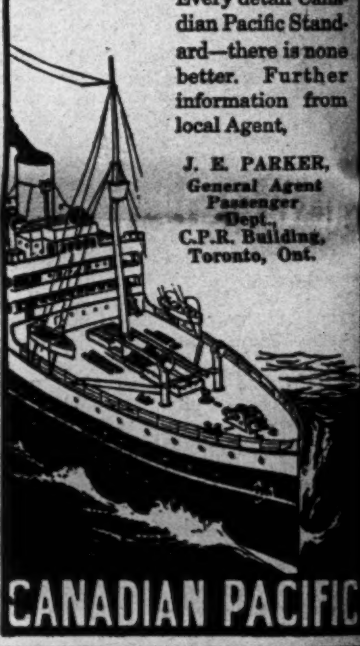

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FLAT DUTY RATE WOULD NOT HELP IMPROVE TARIFF

Contentions of a Canadian Manufacturer, Replying to F. P. Jones

By a Canadian Manufacturer.

In its issue of January 30, THE FINANCIAL POST published an article by Frank P. Jones, president of the Canada Cement Company, in which he suggested a flat rate of duty on all imports coming into Canada as the solution of our tariff problems. In the following article, a leading Canadian manufacturer, who is at the same time a keen student of economics, sets forth the arguments against Mr. Jones' plan. Space has prevented the use of a series of more definite arguments against the flat duty rate, prepared by this writer, but it is hoped to use them in an early issue.

It seems impossible to apply a uniform rate indiscriminately to all classes of goods for the reason that the various factors, having a bearing on costs of production, vary to a considerablie extent as between different goods.

The proportion of labor involved in the manufacture of certain lines will be high; in other cases, the cost of raw materials will be proportionately very much greater, or the assembly costs will be high in one case and low in another. The market for the finished goods, in some instances, may be close to point of production or, in other cases, widely scattered. Process losses or scrap wastage may be limited in the manufacture of certain goods, while in others they may be extreme—unit values would vary all the way from such crude materials as sand or gravel up to the high unit values of precious stones and precious metals—to apply a uniform tariff treatment to such a wide variety would be most unscientific from the standpoint of tariff construction, customs and administration or practical results.

The most important feature, however, is that, if a flat rate of duty is accepted, it must be adhered to indiscriminately because, if a single item is treated differently, the policy is transgressed. It would be found impossible to avoid breaking the rule and, therefore, the policy falls to the ground.

Production Conditions Unequal

To justify a flat rate would mean that conditions with respect to the production of all classes of goods in Canada are equal. This is obviously not the case.

To justify a flat rate, we would have to give up any idea of directing the flow of our inward and outward trade. It seems clear that a tariff, intelligently constructed, must have as one of its purposes the flow of trade and the national interest in its encouragement or discouragement. We may wish to import raw materials at a low cost, or we may wish to produce them. We must assuredly use our brains and determine the position of the industry—the condition surrounding it in this country—the source of its raw materials, the source of its competition, before we can decide properly as to the rates of duty which should be imposed.

Present Tariff Unwieldy

We must have a proper conception of the effect of tariff duties on values which will discriminate between foodstuffs, wearing apparel, luxuries, conveniences, machinery, etc., just as we would use our judgment in dealing with any other measure of such profound interest to the people of the country, and affecting section and class interests. One of the greatest troubles with the existing tariff is that it has departed in so many ways from the original principles on which it was based, with exemptions and discriminations which have made the measure an abortion, instead of the result of intelligent investigation and study.

It would seem, therefore, apparent that, to deny opportunities for such investigation and study by the adoption of a single specific flat ad valorem rate, would be to set at naught all those considerations which ought to have a bearing upon the formation of a scientific tariff framed in the national interests.

Any flat rate considered as a protective tariff on finished goods would require to be reasonably substantial and, therefore, would have a material effect on raw material prices. Twenty-five per cent., for instance, on raw copper as compared with 25 per cent. on steel would show an enormous difference in the specific duty per ton.

Wipe Out Preferences

It is most essential to keep in mind what effect the ad valorem duties have with respect to units of production—tons, lbs, dozens, gallons, etc., dependent upon how the goods are sold and the indiscriminate use of a flat rate of duty would have a most unequal effect on goods, varying from low to high costs per unit.

On general principles, it is always a wise plan to maintain low costs of low grade materials and a tendency to increase cost of what may be termed crude materials would be most undesirable.

A flat rate of duty would wipe out necessarily all trade agreements with other countries, including the British preference, because there are sufficient inequalities created under the present tariff, where, for instance, British competition menaces the market for the finished product, while raw materials are only available from markets where the preference would not apply. These inequalities would, therefore, be emphasized if high duties are imposed on raw materials

(Continued on page 10)

How Sales Tax Discriminates

Example No. 3

Canadians of moderate means buy ready-made garments. On these garments sales tax must be paid on the manufacturer's selling value.

The manufacturer of high-priced custom tailored garments does not pay a sales tax on the sales price, but only on the value of the materials wrought into the garments.

Similarly in fur garments, some of which are very costly, sales tax is assessed, not on the selling price, but on the cost of the materials.

In the clothing for the Canadian of moderate means, the cost of the labor of manufacturing and selling the garments is taxed, but in the custom tailored garments it is not.

LITTLE REAL NEED FOR SENATE TO DO MUCH WORRYING

Differences of Opinion Will Crop Out in Provincial Conference

From Our Own Correspondent.

OTTAWA.—The Senate is "sitting pretty." This attitude is to be attributed to the circumstance that the government in thinking over the matter of senate reform decided to call a conference in which the provinces should be represented in order to decide on a policy, instead of going ahead with the wing-clipping programme that had been hinted at.

It may be accepted as true that the senate has not lost any sleep over the threats of the terrible things that might happen to it. For over 50 years something serious has been going to happen to it almost every year; but nothing has happened. Unless Canadian political life takes a number of very sharp turns, not much will happen to the senate during the next half century.

Every demagogue condemns the senate, and yet nearly all of them secretly hope that by some means or other he may land on its soft cushions. Many a Commoner will denounce the Upper Chamber, and yet privately express the hope that it may show sense enough to throw out a bill that the Lower House has been foolish enough to pass.

Safety in Discussion

It is pretty well agreed that one sure way to defer action re the senate is to call a conference to decide what should be done. It may be true, as Solomon said, that in a multitude of counsellors there is wisdom; but it is equally true that in a multitude of counsellors on senate reform there will be inaction.

The attitude of Quebec will pretty nearly produce a decision to leave well enough alone. Quebec knows that the senate stands for the protection of minorities, and that with this body out of the way the guarantee of such protection would not be nearly as strong as it is to-day. That province knows full well that if the senate could be changed by resolution of the Commons, there is no assurance that French as an official language, and Quebec's fixed representation might not also be wiped out. That being so, Quebec is not inclined to take chances. The members from that province have been a bit fidgety ever since senate reform was mooted last year.

Just now it looks as though any reforming that the senate gets will be through the work of nature. Be it Grit or Tory, it is gradually changed by the passage of time. If they were honest, the politicians would admit that the kind of reform they really want is the kind that gradually turns a Grit senate into a Tory one, and vice versa.

LOWERED REVENUES BAN TAX CUT HOPE

In Ten Months Gov. Revenues Down 50 Millions—Expenditures Declined But Little

From Our Own Correspondent.

MONTREAL.—The estimate of cabinet ministers last spring was that the tax reductions effected would lessen the tax revenues by $24,000,000. The estimate was far out and for the first ten months of the country's fiscal year, tax revenues have declined $50,000,000, effectively dampening any expectation of further reductions in either income, excise or customs taxes in connection with the coming budget.

The reduced revenues have been due more to depressed business conditions than to actual scaling down of tax rates.

January 31 marked the end of ten months of the present fiscal year, and the decrease in total ordinary revenue during this period totalled $50,210,029, when comparison is made with the ten-month period of last year. Total revenue of the Dominion on January 31 last was $286,888,191, while on January 31, 1924, it amounted to $337,098,220. Customs revenue collected to January 31 of the present fiscal year amounted to $88,575,584, or a decrease of $12,174,083 from the total collections for the ten months of the previous fiscal year, which amounted to $100,749,667.

The falling off in excise tax collections amounted to $35,440,307, total collections to January 31 of the present year being $69,353,841, as against $104,794,148 a year ago.

Federal income tax collections amounting to $54,133,094 for the ten-month period are somewhat larger than during the same period of 1923-24.

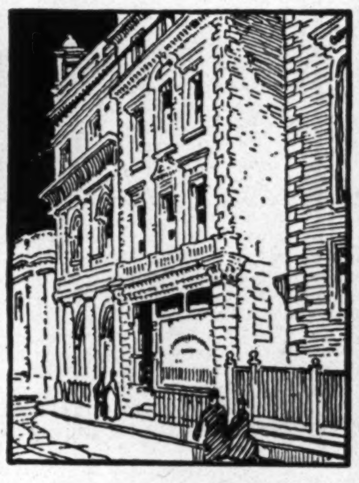
Ordinary expenditure of the Dominion showed a decrease of $5,571,068 during the ten months under review. At the end of January last, ordinary expenditure totalled $257,122,815, as compared with a total expenditure of $262,693,883 for the ten months of last year.

AMERICAN CYANAMID IN C. B.

CAPE BRETON.—The American Cyanamid Co., which is making plans to enter the Canadian fields has, it is understood, purchased the Stirling Zinc mine here, a zinc-copper-gold enterprise. Plans include the erection of a smelter on the north shore of the St. Lawrence, in Quebec, near the Saguenay River.

The Bank of British Columbia

A Chapter in the Story of a Canadian Banking Family



Head Office of the Bank of British Columbia London, England, 1890-1900 occupied by The Canadian Bank of Commerce 1901-1907

One of a series of advertisements describing the banks now incorporated with The Canadian Bank of Commerce.

THE Bank of British Columbia, established under Royal Charter in 1862 and amalgamated with The Canadian Bank of Commerce in 1901, owed its origin to the rich discoveries of gold along the Fraser River in the late '50's and '60's.

The Head Office was located in London, England, but the Victoria branch, opened in August, 1862, was the real centre from which the Bank's activities radiated. Branches were opened at a number of points along the Fraser Valley and on the Pacific Coast, including agencies at San Francisco (1864) and Portland, Ore. (1865).

At first the Bank's business consisted chiefly in purchasing gold dust, but a strong commercial connection was soon built up, and as the various industries of the Pacific slope developed—salmon fishing and canning, coal and metal mining, wool-growing, lumbering and agriculture—the Bank's business expanded in character and volume. In 1870 it financed the first shipment of Pacific wheat to Liverpool. Its period of greatest growth, however, occurred during the railway construction of the '80's, the Vancouver branch being opened in 1886.

In 1898 The Canadian Bank of Commerce entered the Pacific Coast field, and by 1900 had established branches at Vancouver, Seattle, Dawson City, White Horse and elsewhere. As this Bank was sole agent in Eastern Canada of the Bank of British Columbia, a proposal was made to unite the two interests. The amalgamation of the Bank of British Columbia with The Canadian Bank of Commerce in 1901 gave the latter a London, England, office, and laid the foundation of the business now being conducted at over 60 branches on the Pacific Coast.

THE CANADIAN BANK OF COMMERCE

A12

MR. COOTE ON IMMIGRATION

Lethbridge Herald: The member for Macleod, in the views he is reported to have expressed at Nanton, would if he could have his way, restrict or put a stop to immigration in order to prevent the increase of the acreage under cultivation in the West, which, as he puts it, would "decrease returns to present settlers." In other words Mr. Coote would seek to decrease output with the object of keeping the price of wheat from decreasing. This is none other than the application of the specious principle of ca'canny to the agricultural industry, to say nothing of what must be the outcome, if the government had the foolhardiness to consider seriously such a short-sighted policy in regard to immigration in the general effect it must have on the economic welfare of the Dominion. This will be in the hardships it will continue to impose on the present population, including the grain-growers, in the burden of taxation. If Mr. Coote had given the matter the serious and very careful consideration it needs he would have been the last person to volunteer "the penny wise pound foolish" utterance he made.

"It is said that paper can be used effectively in keeping a person warm."

"Yes, I remember a 30-day note once kept me in a sweat for a month." — Forbes Magazine.

Progress and Prosperity

Progress and Prosperity are the keynotes of the Crown Life Annual Report for 1924. The gains in volume of business and in earnings are equally impressive:

	1923	1924
Policies in Force	$42,175,180.00	$50,611,214.00
Assets	5,472,666.94	6,311,302.57
Dividend Funds	568,021.27	696,596.93
Cash Income	1,689,758.12	1,999,081.26

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H. T. MACHELL, *Chief Medical Officer*
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The Securities Markets

BROKERS URGING CLIENTS TO PICK OUT SOUND ISSUES

Reaction on Wall St. May Be Forerunner of Move Here

MARKET INDICATOR
(20 Industrial Stocks)

Week Feb 11 High	Week Feb 11 Low	Week Feb. 4 High	Week Feb. 4 Low	Jan., 1924 High	Jan., 1924 Low
75.5	73.2	74.1	72.9	71.0	64.7

Canadian exchanges have had a week of somewhat spotty trading. Losses have been very few and for the most part fractional. Gains on the other hand were numerous and in many cases quite sensational. There were a number of interesting features to the trading. A great deal of attention seems to have focused on shares of concerns dealing in food products until it could almost be said that the buoyant end of the lists was a food market, were it not for the fact that steels were mixed in in generous proportions, six of nine active shares scoring advances. From the table following it will be noted that 14 out of 33 industrials showed price improvements, the total advance by the 14 issues being 50 points or better than an average of three. The advance in these shares and in steels is regarded as further discounting better business expected in the spring. The textile group was about fifty-fifty and the same with the banks. Paper shares were slightly off while milling were somewhat neglected. Utilities and transportation were just normally active.

The irregularity that is making itself quite apparent in New York and breaking out here and there in the list with some severe declines, has so far failed to make any impression on the Canadian lists. Recessions of a further nature are looked for by Wall St., but brokers are advising those who are holding shares in sound industries in a proven position to ignore the possible reactions and hold firm. They say that the business situation is sound and the outlook favorable. Not much more could be looked for over there in the matter of business volume unless inflation was favored. Canada is still considerably removed from such a happy business situation. This is the reason why the markets are considerably behind the New York lists. Charts showing market movements of the past portray Canada's lists moving along more slowly and at a lower level than the New York list, but they also show them as breaking into the new trend downward just about as sharply. All this leads up to the point that the time is rapidly approaching, if not already on hand, for those whose holdings are of a speculative nature to take stock of their position. This is the advice that cautious houses are passing along to their clients. They make the point that there are numerous well seasoned stocks that are still quite attractive and are advocating the taking of profits on speculative issues and switching into the sounder and safer shares of issues that are almost sure to weather fairly well any general recession.

The trend of the market is shown by the following table:

	Gains	Losses	Unch	Tot.
Banks	2	3	5	10
Paper	2	4	2	8
Steel	0	6	3	9
Milling	2	2	6	10
Utilities	3	2	5	10
Transportation	2	3	4	9
Textiles	2	2	1	5
Industrial	4	14	15	33
	17	36	41	94

STERLING APPRAISAL COMPANY
CERTIFIED REPORTS

Woods Manufacturing Profits Are Improved

Woods Manufacturing Co. report for 1924 shows $264,579 in profit, a material improvement over a year ago when the total fell to $12,128. It falls considerably short of 1922, however, when the net stood at $400,551. These figures are before depreciation and bond interest are taken care of as will be seen by the table below. No common dividends were paid this year with the result that there is a surplus to add to the balance forward. This latter sum was well eaten into by the deficits of 1923. The company is in a good liquid position, current assets standing at $2,285,008 as compared with current liabilities of $1,045,881. Inventories are a large item in current assets, $1,794,858. Depreciation reserve stands at $1,152,347.

	1924	1923	1922
Profits	$264,579	$ 12,128	$400,551
Depreciation	63,870	84,765	66,631
Bond interest	62.831	48,463	20,125
	126,701	133,228	86,756
	$137,878	x$121,100	$313,795
Prem. & excl.	......	9,732	......
	$137,878	$130,832	$313,795
Pref. dividends	107,299	108,255	108,255
	$ 30,579	x$239,087	$205,540
Com. dividends	......	103,116	137,488
	$ 30.579	x$342,203	$ 68,061
Prev. bal.	66,973	409,176	341,124
	$ 97,552	$ 66,973	$409,176

xDebit.

MEAT PREFERENCE BY BRITAIN MEANS MUCH FOR CANADA

Packing Industry Would Benefit and Provide Farmers Better Market

Great Britain is said to have evolved a plan whereby the 1,000,000 tons of meat yearly purchased outside the British Isles will all come from overseas Dominions. This is of ranking importance to Canadian packers who are quite near the market and are already competing with the world for it.

Wall St. Journal says that the proposal is regarded as a bombshell by American and Argentine packers. In 1924 Argentine packers sold $24,000,000 in frozen meat to England. Incidentally it will keep cheap Scandinavian and Denmark bacon off the market.

The London correspondent of Wall St. Journal says there are two main reasons behind the move. First, the fear of meat combines in the United States and the Argentine, and, second, the growing influence of Australia and Canada in England. The four self-governing dominions of Canada, Australia, New Zealand and South Africa are buying goods from Great Britain to the extent of $625,000,000 a year. It is this that gives them their influence.

Canada's packing industry has long been said to be over-developed. It is so far as the domestic market is concerned. There has been a steady improvement of late in the industry, due to better report and the fact that Canadian bacon has been winning back its position in England. The new proposal should send them along swimmingly if it goes through and should also mean a great deal to the Canadian farmer who will be assured of a better market for his cattle and hogs. It will mean a general turn to more diversified farming with the benefits well spread out.

Australia has come along well in the meat business also and is said to be well equipped to handle her share.

TUCKETTS SHARES HIGHER

Tucketts common is now selling at 65, an advance from 59 early in the year, while the preferred has passed par to 102½. This is the first time par has been reached since 1914. The low was 75 in the latter part of 1921. In the same year the common sold down to 34. Tucketts is now controlled by the Tobacco Corp. of U. S. and in turn controls the Canadian end of that concern's operations This showed improvement in the business of Tucketts for the part of the fiscal year ending March, 1924, and there is every expectation that the year ending March 31 next will show an even greater improvement.

CANADIAN CANNERS

Canadian Canners pref., now 14 per cent. in arrears, may be listed in the not distant future. It would seem desirable that when this step is taken that the dividend situation should be cleared up. For this reason the rumors about listing are taken as an indication that some steps in regard dividends will be taken at annual meeting in March. Dominion Canners common is much interested here as there is a feeling that payment in Canadian Canners preferred should be a signal for payment on Dominion Canners common. This latter stock advanced 4 points to 95 during the week.

Pulp and Paper

FRASER COMPANIES SELLING PREFERRED

First Junior Security of Old Established Company Ever Offered to Public

From Our Own Correspondent.

MONTREAL.—The first shares of Fraser Companies ever offered to the general public are now being offered by Royal Securities Corporation. The issue is for an amount of $1,500,000 of 7 per cent. preferred stock, offered at 97½ to yield 7.18 per cent.

The stock will be cumulative as to dividends, will be convertible at par into common stock, and may be redeemed by the company at 105. The total amount to be outstanding will be $1,950,000.

Recently Fraser Companies offered a new bond issue to the public to the amount of $3,500,000, the proceeds being used to pay off two existing bond issues in a way that reduced annual interest charges considerably.

Canadian investors who have participated in the public financing of Fraser Companies have been well rewarded. The first public issue was a bond issue in 1919 followed by a second mortgage bond issue in 1921. Both of these issues have been redeemed at a good premium and a new bond issue and the present preferred stock issue have been brought out.

It is understood that the common stock of the enterprise is all in the hands of the Fraser family.

The company operates a lumber and pulp business in New Brunswick and recently acquired the extensive timber operations of the Stetson, Cutler Co.

The recent financing of the company brought out information about the company's financial position at the end of the year. According to its balance sheet as at December 31, 1924, after giving effect to recent financing, the company had fixed assets (not including its new investment in Stetson, Cutler & Co., of a book value of $15,066,135, against which the company has set up reserve for depreciation and depletion out of past years' profits, of $3,429,247. The company's net working capital, as at that date, amounted to $3,511,873.

CANADA PAPER COMPANY

The Canada Paper Co., Windsor Mills, Que., will erect a new pulp mill with a capacity of fifty tons daily. Contracts for the boilers, digesters, and other equipment have been let and the work of construction will be proceeded with at an early date. George F. Hardy, of New York, prepared the designs for the new mill.

International Paper's 1924 Output Lower Than 1923

International Paper Company and subsidiaries in 1924 turned out 434,288 tons of various grades of paper, compared with record production of 537,927 in 1923. While output was 103,639 tons lower last year, a shrinkage of 19 per cent., sale of the Rumford Falls mill to Continental Paper and Bag Mills, Inc., accounts for a substantial amount of the loss. That unit operated under International only one month in 1924, and accounts for about 44,000 tons of bag and wrapping paper. Thus output actually ran only 60,000 tons less than 1923, or a reduction of 11 per cent.

Of the total output, newsprint represented 320,689 tons, and other grades 113,599. This compares with 352,518 tons and 185,409 tons, respectively, in 1923. Last year newsprint production constituted 74 per cent. of total output, the highest proportion since 1915, and compared with 65.5 per cent. in 1923 and 63.1 per cent. in 1922.

Earnings of International Paper Co. and subsidiaries for 1924 are expected to amount to a little over $5 a share on the slightly less than 200,000 shares of common outstanding. This will mean a net of $2,500,000, as preferred dividends call for $1,500,000. In 1923, net was $3,809,541, equivalent to $11.59 a common share, while 1922 and 1921 saw net losses of $7,572,390 and $7.442.890, respectively.

PROVINCIAL PAPER

Provincial Paper common, which at the first of the year was selling around 89, this week sold up to 94, having gained 3 points in a couple of days. There has been a heavy accumulation of the shares of late, transactions of 505 shares in the past week being three times the total for the balance of the year. No special news in regard the position of the company has come out but it is known that the past year was a good one.

ANGLO-CANADIAN PAPER

The public bills committee of the Quebec Legislative Assembly put through the bill incorporating the Anglo-Canadian Pulp and Paper Company. The company sought first to be incorporated as the Quebec Paper Mills, Limited, but objection to the name on the ground of a too great similarity was raised by the Quebec Pulp and Paper Mills, and the new name was chosen. F. W. Clarke, of Clarke Bros., is the promoter, and is understood to represent the Rothermore interests.

The bonds will be floated in England, hence the bill includes ratification of the lease from the province to the company of the forest areas in the Manicouagan basin.

JOINS WAYAGAMACK BOARD

At the annual general meeting of shareholders of the Wayagamack Pulp and Paper Company, held at Three Rivers, J. Fraser Taylor was elected a director of the company to fill a vacancy on the board. Mr. Taylor is a well-known figure in the financial and industrial field of Canada. A native of Aberdeen, Scotland, Mr. Taylor in 1902 went to India, where he took an active part in the re-organization of the electric railways of the city of Madras. In 1909 he went to Ontario, and actively participated in the organization of the Lake Superior Corporation. This work of financial re-organization, both in India and Canada, was undertaken by Mr. Taylor on behalf of London interests. Mr. Taylor has served as a director of the Lake Superior Corporation, the Algoma Steel Corporation, Canadian Car and Foundry, Iron and Steel, mines, steamships and other companies.

An Investigation

We have recently concluded an investigation of the natural gas industry in Canada. This investigation was as thorough as we could make it and took us a period of 18 months.

We found:—

1. No record of failure of a company actually distributing gas.
2. That all companies operating in proven fields had been highly successful, not only for their bond holders, but also for their stock holders.
3. That the natural gas industry is a fundamentally sound public utility similar in many respects, to other utilities, such as Water Power Companies.

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MERCHANT BARS—Rounds, Squares, Flats, 6 inches and under in width.
STRUCTURAL STEEL SHAPES—including Beams, Tees, Zee Bars, Angles, Channels, etc., for structural and fabricating purposes, having section weighing up to 15 pounds per lineal foot.

BRITISH EMPIRE STEEL
CORPORATION LIMITED

Milling

EXPORT DUTY ON WHEAT WOULD BE BOON TO MILLERS

Would Lessen Competition Abroad and Maintain Quality

According to F. C. Cornell, Secretary of the Canadian National Millers' Association, the recommendation of the Turgeon Commission will work decidedly to the advantage of Canada. The issue in the report principally dwelt upon is the proposed export tax on wheat entering the United States. Mr. Cornell points out that wheat flour is exported to 85 different countries throughout the world, while the exportation of wheat is confined to less than 20 countries, and the Canadian product, when not blended with inferior grades of wheat, is decidedly the best.

To the holder of milling stock, the suggestion recently put forward by the Royal Commission on grain, that a wheat export tax of 42 cents should be imposed upon shipments of wheat to the United States is of particular interest. At the present time the United States miller is importing large quantities of Canadian hard wheat for grinding purposes, and is shipping this abroad, often, as Canadian flour. It is alleged that the United States tariff against wheat is ineffective, since the miller is able to obtain a rebate of 99 per cent. upon the product re-exported. Not only does this allow large quantities of our raw material to be milled in the States to the advantage of the American miller and American labor, but it is stated further that in many cases inferior American wheat is mixed with the Canadian grain, and the flour exported as Canadian flour. In this way, Canadian flour loses its standing through being misrepresented, and, in addition, the product milled in Canada actually has to compete with the Americo-Canadian flour in Great Britain and elsewhere.

The imposition of an export duty or tax would assure the milling in Canada of much larger quantities of wheat. It would also lessen the competition of Canadian flour abroad, and would save the high standard of our flour, which is the best in the world. Incidentally, this would react upon the standard of Canadian wheat and would work out to the advantage of the wheat farmer, who, in the last analysis, is the party who should be consulted in the matter.

Largest Flour Order Ever Placed in America

Recent rumors that Russia was in the market for large quantities of flour have materialized in the placing here of the largest single order for flour that has ever been placed in America. Near famine conditions in Russia have made large importations necessary, and realizing that the world wheat shortage may drive wheat and flour prices still higher, Russian buyers waited for a good opportunity and stepped in in a very large way during the present reaction. During a single day orders totalling 1,300,000 barrels were placed for shipment to Black Sea ports as soon as possible. Of this amount the Maple Leaf Milling Company received on order for 1,150,000 barrels. It is understood that payment will be on a strictly cash basis. Together with previous orders since the latter part of last year, Russia's total purchases in the Canadian market have been very close to 2,000,000 barrels. It is estimated that the last order alone is the equivalent of some twenty cargoes.

U.S. Tariff Diverts Our Flour Exports Elsewhere

The effect of the United States tariff against Canadian flour is seen in current statistics of flour shipments. For the six months with January the value of Canadian flour shipped to the United States was $77,410 as against $663,495 for the corresponding period a year ago. During the same period, shipments to the United Kingdom by way of the United States dropped from $4.068,209 to $3,603,847. Exports direct to Britain, however, were approximately the same, although there was a slight decline. Shipments to other countries via the United States jumped from $9,450,525 to $14,325,244, while direct exports remained approximately the same.

In making a comparison of these figures, the large increase in prices must not be overlooked. While total shipments of wheat flour to all countries rose in value from $31,795,279 to $35,558,632 during the two half years specified, the volume actually declined from 6,068,359 to 5,346,309 barrels. It is notable also that the United States tariff did not lower the exports of flour from Canada, but merely changed the market. The marginal decline that did take place is easily explained by the radical decline in the volume of wheat available for milling.

Goodyear Pref. Reaches New High on Market

Goodyear Tire is now selling within three points of par as compared with a low of 71 in 1924. The improvement of the position of the company has been quite steady and considerable of the arrears on the preferred has been taken care of leaving 8¾ per cent. This could be taken care of at any time, according to Gen.-Mgr. Carlisle, but there are reasons for not doing so. He stated that the company was square with its bank and in a position whereby it was benefiting by all discounts. It is possible that the arrears may be taken care of next year. Business has been good and this fact may possibly influence the directors in making a decision as to the amount of the April and July disbursements. The market is evidently discounting payments on the arrears being made during the present year. Goodyear preferred is now selling at a price that gives it a standing along with the most desirable preferred stocks on the Canadian market. Indicated earnings on the preferred stock for the year ended Sept. 30 last, amounted to 14.02 per cent. and business has been exceptionally brisk since the commencement of

STOCK MOVEMENTS OF THE WEEK

WEEK ENDING FEBRUARY 10

	Div. Rate	Yield Feb. 9	High for wk.	Low for wk.	Close Feb. 10	Close Feb. 3	Sales for wk.	Range 1925 High	Range 1925 Low
Banks—									
Commerce	12	6.06	199	197	199	197½	374	199	194¾
Dominion	12+1	6.63	196	195½	195¾	194	40	196½	189
Can. Nationale	10	6.66	150½	150½	150½	150	84	150½	150
Imperial	12	6.31	190	189½	190	190	75	193	188
Molsons	12	6.93	..	..	..	..	..	174	170
Montreal	12	4.83	248	246½	248	248	131	250	245
Nova Scotia	16	6.03	266	265	265	265½	140	266	263
Royal	12	5.10	235	231½	235	233	102	235	227½
Standard	12	7.01	171	171	171	171	63	171½	170
Toronto	12	6.12	195¾	195¾	195¾	198½	53	201	195¾
Union	8	7.40	108	107	108	107½	198	108	106½
Paper—									
Abitibi, com.	4.00	6.29	63½	62½	63½	63¾	800	67	62
Do. pref.	7	6.60	..	..	..	..	..	106	101
Brompton Pulp	.	....	29½	28¾	29½	30	765	33½	28¾
Laurentide	6	7.31	82½	82	82¾	82	1380	85¾	81¼
Price Bros.	2	5.33	37½	36¾	37½	36¾	1726	37½	36
Prov. Paper, com.	6	6.31	95	90½	94	91	505	95	88¾
Do. pref.	7	7.10	98½	97	98½	..	23	98½	95
Smith, Howard, com.	.	....	29½	27	29½	27	250	29½	21¼
Do. pref.	8	10.00	80	79½	80	80	364	89	69½
Spanish River, com.	7	6.60	107	87	106½	108	756	111¾	87
Do. pref.	7	8.76	123	121½	121½	122½	160	127	112¾
St. Maurice Paper	6	7.10	84½	84½	84½	84½	10	84½	80
Wayagamack	.	....	41½	39	40¼	40½	512	41½	34½
Steel and Steel Industries—									
B.E. Steel, com.	.	....	3¼	3¼	3¼	3¼	524	3¾	3
Do. 1st pref.	.	....	33½	32	33½	33¾	170	33¾	29
Do. 2nd pref.	.	....	11¼	10	11¼	11	1992	11¾	8
Can. Car & Found., com.	.	....	55¼	53½	55	54	3226	55¼	49½
Do. pref.	7	7.86	90¼	88¾	90¼	88¾	1971	90½	85
Can. Foundries, com.	.	....	20	20	20	..	50	50	50
Canada Iron, com.	.	....	..	..	..	..	..	8	8
Do. pref.	.	....	..	..	..	..	..	35	34
Can. Locomotive, com.	4	6.25	64	64	64	..	50	72	64
Do. pref.	7	7.95	..	..	..	..	..	90	85
Dominion Coal	.	....	50	50	50	..	35	50	45
Dominion Iron, pref.	.	....	..	..	..	..	..	28	28
Dominion Radiator	7	6.82	102½	102½	102½	101½	45	102½	100½
Dominion Bridge	4	4.39	93	84¾	91	84¾	2262	93	77½
Dom. Steel Corp., pref.	.	....	..	..	..	38	..	38	37
N.S. Steel, com.	.	....	..	..	..	..	..	13	12¾
Do. pref.	.	....	32	32	32	..	5	32	32
Ontario Steel, com.	4	8.79	46	43	46	43	245	53	41
Do. pref.	7	7.48	93½	93½	93½	..	25	92	92
Steel of Canada, com.	7	8.33	88	83	88	84	6357	88	83
Do. pref.	7	6.36	110½	110	110	110	116	110½	105
Milling—									
Canada Bread, com.	4	3.33	120¾	119	120¾	125	127	125	98½
Do. pref.	7	6.66	105	104¾	105	104¾	153	105	102½
Inter. Milling, pref.	7	6.93	101½	101	101½	100½	52	101½	99
Lake of Woods, com.	12	6.44	186	186	186	186	195	187	184
Do. pref.	7	5.69	123	123	123	..	5	123	121
Maple Leaf, com.	.	....	100	95	100	95	80	100	80
Do. pref.	7	7.00	100	100	100	100	43	100¾	98
Ogilvie Flour, com. (new)	12	6.66	150	148	150	145	20	150	141½
Do. pref.	7	5.74	..	..	..	..	.	122½	121½
Shredded Wheat, com.	8+1	6.42	..	..	..	..	..	..	..
St. Lawrence Flour	4	7.40	55	54	54	54	65	65	52
Do. pref.	7	7.44	..	..	..	..	..	..	..
Western Can. Flour	8	7.27	110	110	110	110	13	110	107
Utilities—									
Bell Telephone	8	5.91	135½	134½	135¾	135½	804	137	133
Consumers Gas	10	6.09	165	164	164	170	222	170	164
Dom. Telegraph	6	6.12	49	49	49	48½	108	49	38½
Kaministiquia	8	7.69	..	..	..	..	..	105	103
Mackay, com.	7	5.93	118¼	117½	118	117¾	411	118½	116
Do. pref.	4	5.81	68¾	67¾	68¾	67¾	386	69	67¾
Mexican Light, com.	.	....	22½	22	22½	..	75	22	22
Do. pref.	.	....	58½	58½	58½	59	50	59	57
Mont. L.H.&Pr. Cons.	7	4.11	171¾	168¾	169¼	170	3432	172¾	152
Montreal Telegraph	8	5.83	55	55	55	..	4	55	50
Ottawa L. H. & Pr.	6	5.88	102¼	101½	102¼	101½	85	102¼	97
Quebec Power, com.	.	....	89	88	88	88	404	89	85
Do. pref.	7	6.58	106¼	106¼	106¾	106	5	106¾	105
Shawinigan	7	5.14	137½	135¾	136¼	136½	420	138	130½
So. Can. Power	1.00	....	71½	71¼	71½	71¼	145	72	67
Transportation—									
Canadian Pacific Rly.	10	6.66	151	149½	150	149¾	222	152¼	149½
Canada Steamships, com.	.	....	13¼	12¾	13¼	13	805	13¾	11
Do. pref.	.	....	50	47	49¾	47	2909	50	47
Tractions—									
Barcelona	.	....	21	20	21	..	220	23	20
Brazilian	4	7.27	55¾	54½	55½	55¾	4514	57¾	54
Detroit Un. Rly.	.	....	27	24	24½	27	1686	29	24
Duluth-Superior	.	....	38¾	37½	38¼	38	395	38¾	35
Illinois Traction, pref.	6	6.49	..	..	..	..	..	93¼	92
Montreal Trams	10	6.06	165	165	165	167½	185	173	165
Ottawa Traction	4+1	7.32	68¼	58¼	68¼	..	15	68¼	62
Porto Rico Rly., com.	.	....	39	39	39	38¾	35	40¾	35½
Do. pref.	7	8.14	87	86	86	86	56	88	84
Quebec Rly.	.	....	..	..	..	..	..	22	22
Twin City, com.	4.00	6.40	63	61¼	63	62	1532	66	58
Do. pref.	7	7.21	..	..	..	..	..	97	94½
Winnipeg Elec., com.	1	....	41¾	38½	39½	43½	5500	44	36½
Do. pref.	7	7.60	92	91¾	92	92½	257	92½	87
Textiles—									
Can. Conn. Cotton, pref	8	....	48	47½	47½	46	50	49	46
Can. Converters	7	8.14	86	83¼	86	84	626	87	80
Can. Cotton, com.	8	7.17	111½	111	111½	111	125	111	106
Do. pref.	6	6.66	91	90	90	90	300	92	90
Can. Woollens, com.	.	....	9	8	9	8	80	9	5½
Do. pref.	.	....	..	..	..	..	..	42	40
Dom. Textile, com.	4.00	5.59	71¾	70	71¾	69½	5242	71¾	66
Do. pref.	7	6.14	114	114	114	114	24	114	111
Monarch Knitting, com.	.	....	30	30	30	30	15	30	30
Do. pref.	7	8.86	79	79	79	80	60	80	72
Montreal Cotton, com.	6	6.12	98	98	98	98	200	99	95
Do. pref.	7	6.30	111	111	111	111	2	112	109
Penmans, com.	8	5.16	155	153	153	155	40	156	148
Do. pref.	6	6.00	101	100¼	101	100	15	100	100
Wabasso Cotton	4.00	6.66	60	60	60	58	95	60	56
General Industrials—									
Amer. Salesbook, com.	5	5.49	40	39	40	40	60	40	38
Do. pref.	7	7.69	92	90	91	92	52	93	90
Asbestos, com.	2	4.59	45½	43	44	45	665	45½	35
Do. pref.	6	7.05	88	85	85	85½	943	88	78½
Atlantic Sugar, com.	.	....	27¾	26	27¾	26¾	7164	27¾	18
Do. pref.	.	....	75½	68	75½	69	3894	75½	40
Bird & Son, pref.	7	8.53	82	82	82	83	10	83	82
B.C. Fishing	.	....	28½	27	28½	28¾	502	31	19
Burt, F. N., com.	10	6.41	163	155	157	159	1119	163	140
Do. pref.	7	4.89	..	..	..	..	..	158	142½
Canada Cement, com.	6	5.82	103¾	96	103¾	96	5498	103¾	90¾
Do. pref.	7	6.36	111	109½	110	111	259	114	107
Cons. Rubber, com.	.	....	..	..	..	..	..	..	..
Do. pref.	7	8.14	..	..	..	..	..	90	86
Can. Gen. Electric, pref.	7	....	60	53½	54	55	279	60	53½
Can. Indust. Alcohol	8	....	19¾	19	19¾	19¾	2747	20¾	18½
Canadian Salt	8	7.14	..	..	..	..	..	116½	112
Carr. Factories, com.	.	....	..	..	..	..	..	..	..
Do. pref.	.	....	..	..	..	..	..	..	..
Cty Dairy, com.	12	8.84	80	75	78	75	1338	80	65
Do. pref.	7	6.66	105	105	105	106	5	108	105
Crows Nest Coal	6	12.50	..	..	..	..	..	49½	46
Cuban Can. Sugar, com.	.	....	10	8	9	7½	1390	10	7
Do. pref.	.	....	44	37	42½	37	393	44	35
Dom. Canners, com.	.	....	97½	90	95	91	2322	100½	56½
Do. pref.	7	7.00	100	99	100	99½	61	100	95¾
Dominion Glass, com.	7	6.14	114	114	114	116	195	116¾	113¾
Do. pref.	7	6.31	..	..	..	..	..	112	110½
Dominion Stores, com.	1.00	....	32¾	32½	32½	33	98	34	28½
Do. pref.	8	8.04	99½	99	99	99	55	99¾	71½
Davies, Wm. (A)	.	....	29	24	29	29¾	577	32	24
Eastern Theatres, com.	.	....	..	..	..	..	..	15	14
Do. pref.	7	9.33	..	..	..	..	..	75	75
Goodwins, pref.	7	9.33	..	..	..	..	..	75	75
Goodyear Tire, pref.	7	7.29	96	94¾	96	94½	301	96	90
Holt Renfrew, pref.	7	10.76	..	..	..	..	..	65	65
King Ed. Hotel	.	....	21	20	21	..	100	21	20
Lyall Construction	.	....	26¾	19¾	26¾	23½	185	26¾	11
Macdonald, A.	.	....	11¾	5	5	5	1290	11¾	4½
National Brew., com.	4.00	6.06	66¼	65	65¾	66	2098	68	61½
Do. pref.	7	6.60	106	106	106	106¼	125	106½	105½
Pacific Burt, com.	6	6.38	95¾	94	94	..	110	95¾	94
Do. pref.	7	6.76	103½	103	103½	105	12	107	103
Port Hope Sanitary, com	.	....	60	60	60	60	125	60	53
Do. pref.	7	7.69	91	91	91	..	10	90	90
Rogers, Wm. A., com.	.	....	65	59½	64	59½	693	65	59¾
Do. pref.	7	7.44	95	93½	94	..	65	95	90
Russell Motor, com.	.	....	28	28	28	..	1	28	28
Do. pref.	7	8.97	78	78	78	78	30	79½	74½
Sawyer-Massey, pref.	.	....	6	5	6	..	49	6	5
Sherwin-Williams, com.	6	4.91	128¾	117	128¾	118½	866	128¾	115
Do. pref.	7	6.42	..	..	..	..	..	109	104¾
Sterling Coal	4	7.61	53	49	52	49	503	53	49
Tooke Bros., pref.	.	....	45½	40	45	..	225	45	37
Tuckett Tobacco, com.	4	6.15	65	65	65	65¾	105	65¾	59
Do. pref.	7	6.94	102½	100¾	102½	101	145	102½	96½
Woods Mfg., com.	.	....	49	40	43¾	38	205	49	20
Do. pref.	7	9.72	75	70	73	70	200	75	64¾
Pure Gold	.	....	25¾	25	25	..	365	25¾	25
Trust and Loan—									
Canada Landed	10	6.17	82	81	82	82	65	82	80
Can. Permanent	12	6.09	197	197	197	197	40	200	190
Colonial Invest.	6	....	..	..	..	..	..	..	..
Hamilton Prov.	10	6.66	..	..	..	..	..	..	..
Huron & Erie	7	6.00	..	..	..	..	..	..	..
Landed Banking	9	6.42	..	..	..	..	..	..	..
Montreal Loan	12+1	7.21	..	..	..	..	..	45	45
National Trust	12	5.45	..	..	..	..	..	223	210
Ontario Loan	11	5.50	..	..	..	..	..	100	100
Real Estate Loan	7	7.86	..	..	..	..	..	..	..
Toronto Gen. Trusts	12	5.66	212	211	212	212	40	212	211
Toronto Mortgage	10+1	6.10	..	..	..	..	..	90	87¾
Union Trust	7	9.41	..	..	..	..	..	85½	85¾

MINING STOCK QUOTATIONS

WEEK ENDING FEBRUARY 10

	Div. Rate	Yield Feb. 10	High for wk.	Low for wk.	Close Feb. 10	Close Feb. 3	Sales for wk.	Range 1925 High	Range 1925 Low
Apex	....	....	3	3	3	3¼	7000	6	2½
Algonquin	....	....	1½	1½	1½	1	1000	1½	1
Argonaut	....	....	48	40½	43	41	227166	48	29
Atlas	....	....	4½	4	4½	4½	16000	5	3¾
Baldwin	....	....	3½	2½	3¾	2½	102000	3½	2
Beatty	....	....	..	..	..	..	....	1½	1
Beaver	....	....	34	31	32	32	47700	35	26
Bidgood	....	....	11½	7½	11	8	167900	11½	5½
Boston Creek	....	....	5½	5	5½	5	2000	7	4½
Buckingham	....	....	3¾	3¾	3¾	3¼	15500	5	3¾
Can. Lorrain	....	....	49	47	48	50	3500	50	44
Capitol	....	....	37½	35	36	35	63750	37½	32
Castle Tre.	....	....	75½	74½	75	74	24105	83	71
Clifton	....	....	18	14½	15¾	14½	89200	18½	14
Coniagas	5	11.90	2.25	2.10	2.20	2.20	550	2.30	2.10
Cons. Smelters	6	2.17	72	64½	69	65	21694	72	48
Cons. W. Dome	....	....	19	16¾	17	17½	97800	22	16
Col. Kirkland	....	....	10½	7	8½	8¾	286150	10½	4
Crown Res.	....	....	50¾	48	50	51½	89825	54½	48
Davidson	....	....	..	..	..	..	....	4	3
Dome Mines	2.00	12.90	15.50	15.15	15.50	15.40	2830	16.50	13.25
Everett	....	....	6½	5½	6½	5	82600	6½	4½
Gold Reef	....	....	1½	1¼	1½	1¼	13000	1½	1¼
Goldale	....	....	18¾	18½	18½	18¾	12950	22	18¾
Hattie	....	....	2½	1¾	2	1¾	690300	2¾	1½
Hattie, P.	....	....	64	59	59	60	8200	65	52
Inter. Nickel, com.	....	....	..	..	..	..	....	27½	25¾
Hollinger	13	4.44	14.99	14.55	14.60	14.70	5701	15.65	14.40
Hunton	....	....	5¾	5¾	5½	5¾	3700	6½	4¾
Inspiration	....	....	8	8	8	10	2000	10	7
Indian	....	....	6	5½	6	5½	15400	9½	5
Keora	....	....	12	10½	11¾	10¾	66900	13½	9½
South Keora	....	....	25	24	24¾	25	6300	26	20
Keeley	24	10.43	2.32	2.28	2.30	2.31	18830	2.32	2.12
Kerr Lake	....	....	1.55	1.55	1.55	..	300	1.55	1.55
Kirk. Lake	....	....	43½	40	41	43	71350	48½	35
Lakeside	....	....	11	9¾	10½	10½	44200	15¾	9½
La Rose	....	....	46	34½	37	40¾	173060	46	7½
Lake Shore	20+5	4.56	5.50	4.90	5.48	4.85	13750	5.50	4.51
Lorrain T.L.	....	....	1.24	1.21	1.21	1.20	1000	1.34	1.14
Lorrain	....	....	17	16	16½	17	100850	20¾	15¾
McIntyre	20	5.98	17.00	16.70	16.70	16.85	2467	17.00	16.00
McKinley	....	....	25	15¾	23	19¾	134100	25	15¾
Mining Corp.	....	....	2.70	2.60	2.60	2.70	2787	3.16	2.55
Moneta	....	....	17	16	16½	16	7100	18½	14½
Newray	....	....	25¾	25	25¾	25¾	9600	28½	25
Nipissing	12+6	14.06	6.50	6.25	6.40	6.60	740	6.80	6.25
Night Hawk	....	....	49½	25	47½	30	8450	49½	25
Ophir	....	....	6½	4¾	5¾	4½	97100	6¾	3
Peterson L.	....	....	10½	9	9	9	61200	11	8¾
Porc. Crown	....	....	6½	4½	6½	5	5850	6½	4
Premier Gold	32	13.33	2.50	2.33	2.40	2.30	19125	2.50	2.15
Preston E. D.	....	....	10¾	9½	9½	10¾	51300	12	9½
Rouyn	....	....	7	7	7	..	2400	7	7
Teck Hughes	....	....	1.36	1.28	1.32	1.29	25850	1.38	1.23
Timiskaming	....	....	25	25	25	25	200	27	20½
Tough Oakes	....	....	40	36	39	36½	52825	45	36
Trethewey	....	....	17½	16¾	17	17	14000	19	16½
Skead	....	....	..	..	..	..	....	20	19½
Vac Gas	....	....	5½	3	5½	..	15200	5½	3
Vickers	....	....	12½	12	12	14	2000	20½	10½
Vipond Cons.	....	....	1.32	1.26	1.29	1.31	27608	1.42	1.26
Wakenda	....	....	2	2	2	1¾	1000	2	1¾
Wasapika	....	....	2	2	2	2	2000	2¾	1¾
West Tree	....	....	4	3½	3½	4	34400	5	3
Wettlaufer	....	....	11	7	7	10¾	45300	16	7
Wright-Har.	20	4.54	4.40	4.35	4.40	4.30	1150	4.40	4.15
Victory Silver	....	....	29	28	28	28	21700	29½	20½
Oil Companies									
B.A. Oil	8+2	6.25	41	40	40	41	23540	41¾	37
Imperial	12	2.36	132	126½	126¾	132¾	251	136	120
Do. (New)	25c	....	33	31	33	33	459	34½	31
Inter. Pet.	25c	....	28¾	27¾	27¾	28	3120	28¾	23½
Mutual	10	3.57	15¾	14½	14¾	15½	1516	15½	12¾
North Star, com.	....	....	1.60	1.60	1.60	1.30	500	1.60	1.00
North Star, pref.	7	8.57	..	..	..	..	....	4.00	3.90

BOND MOVEMENTS OF THE WEEK

WEEK ENDING FEBRUARY 10

BONDS	Int. Rate	Due Year	Yield	Range 1924 High	Range 1924 Low	Range 1925 High	Range 1925 Low	Ask	Latest Price Bid	Latest Price High	Latest Price Low
Asbestos	5	1942	5.43	83½	75	95	80½	—	90	95	—
Canada Cement	6	1929	5.42	103½	100	102¾	101	102½	—	102½	—
Cedar Rapids	5	1953	5.03	99¾	95	99¾	97	100	98	99¾	98
Can. Steamships	5	1943	7.13	80	72	78	78	78	—	78	—
Cons. Rubber	6	1946	6.08	102¾	98½	100	95	100	99½	99	—
Nat. Breweries	6	1939	5.60	103½	103½	104	104	104	—	104	—
Quebec Rly.	5	1939	5.94	92	80	91	89¾	90¾	—	90¾	89¾
Sherwin-Williams	6	1941	5.81	103	101	103½	101¼	—	102	102	—
Sao Paulo	5	1929	7.17	90	86½	91	91	—	91	91	—
Wayagamack	6	1951	7.22	86	74	85½	84¾	85½	—	85½	85
War Loan	5	1925	3.80	100.95	100.15	101.15	100.70	101.00	100.90	100.95	100.75
Do.	5	1931	4.57	102.40	100.60	102.50	101.90	102.35	102.25	102.50	102.35
Do.	5	1937	4.56	103.85	102.20	104.25	103.80	104.10	104.00	104.20	104.15
Victory Loan	5½	1927	4.40	10305	102.05	103.05	102.50	102.95	102.85	103.05	102.80
Do.	5½	1933	4.60	106.70	104.30	106.65	105.90	106.55	106.45	106.65	106.35
Do.	5½	1934	4.92	104.70	102.35	104.60	103.80	104.35	104.25	104.60	104.15
Do.	5½	1937	4.60	108.90	106.15	108.90	108.45	108.85	108.75	108.85	108.55
Do., Renewal	5½	1927	4.70	102.70	101.15	102.80	101.70	102.30	102.20	102.10	—
Do.	5½	1932	4.90	103.90	102.10	103.80	103.10	103.80	103.70	103.70	103.40
Do. Refund	5	1928	4.60	100.85	99.40	101.35	100.85	101.10	101.00	101.35	101.25
Do. "	5	1943	4.86	102.85	99.00	102.25	101.20	102.00	101.85	102.25	101.80
Do. "	4½	1944	4.82	97.15	97.05	96.35	95.10	95.70	95.60	95.80	95.10

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UNLISTED SECURITIES

Industrials, Utilities, etc.—

	Bid.	Asked
Belgo Can. Paper, pref.	94	94½
Brooks Steamer (1 pr'f., 2 com.)	6½	8
Can. Machinery, com.	4	6
Can. Machinery, pref.	11	14
Canadian Oil, com.	40	45
Can. Westinghouse, pref.	143	..
Cockshutt Plow, pref.	30	33
Dom. Comb. Mills (1 pref, 2 com.)		70
Dom. Power, pref.	97	99
Durant (A)	4½	5
Durant (B)	5½	6¾
Durant (C)	6½	7½
English Electric, pref.	45	48
Famous Players, com.	15	16
Famous Players, 8% pref.	73	75
Gunns, Ltd., pref.	39½	41
Imperial Tobacco	6	7
King Edward Hotel Deb. A	70	73
King Edward Hotel Deb. B	50	74
K. & S. Tire, pref	9	12
Loew's Toronto, com.	28	31
Loew's London, com.	.75	1¼
Loew's Ottawa, pref.	18	22
Massey-Harris	34	36
Mount Royal Hotel, com.	2	3
Mount Royal Hotel, pref.	29	31
North Mexico Power, com.	26	28
Manitoba Power, com.	18	19½
Rickenbacker Motors	3	4½
Simpson, Robt., pre.	96½	98
Western Grocers, pref.	38	43
United Securities, pref.	102¾	103
Paton Manufacturing, com.	47½	48

UNLISTED BONDS

(Montreal Stock Exchange)

	Bid.	Asked
Abitibi 6% 1940	99	99¾
Alabama 5% 1962	85½	86
Algoma Steel 5% 1962	34	35½
Belding 5% 1936	85	..
Belgo Can. Paper 6% 1943	98¼	98½
Brand-Henderson 6% 1939	90	..
Burns, P. & Co. 6½% 1943	99¼	..
Can. National Rly 5% 1954	100¾	101½
Calgary Brewing 5% 1942	78	..
Can. Steamship Lines 7% 1942	99	99¾
Can. Light & Power 5% 1949	55	60½
Can. Pacific Rly. 5% 1934	99	99¾
Can. Steel Foundries 6% 1936	100	..
Dom. Iron 5% 1939	57¼	58
Dom. Power 5% 1932	95½	96½
Dom. Textile 6% 1949	104¾	..
East Koot. Power 7% 1942	100½	101¾
Fraser Co. 8% 1941	106¾	..
Frontenac Brewing 6% 1951	..	88
H. Smith Paper 6% 1934	94	..
Lake Sup. Paper 6% 1941	105	..
Laurentide Power 5% 1946	97¾	99
Laurentian Power 6% 1936	98	..
Maple Leaf Milling 6½% 1943	103¼	..
Maisonneuve 5% 1954	99½	..
Man. Power 7% 1941	101¾	102½
Mattagami 7% 1949	30	40
Montreal Steel Works 6% 1940	100	..
Prov. of Ontario 5% 1948	100½	101½
Nor. Ont. Power 6¼% 1931	98¼	99¼
Ontario Pulp 6% 1931	106	..
Price Bros. 6% 1943	99	99¾
Quebec Power 6% 1953	100	100¾
Shaw. Cotton 6% 1949	..	76
South Canada Power 6% 1943	102	103
Spanish River 8% 1941	106¾	107½
St. Maurice Power 6½% 1953	106	106¾
West. Koot. Power 6% 1943	101½	..
West Power 5% 1949	93	..

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Public Utilities

QUEBEC POWER'S EARNINGS IN 1924 4.8% ON SHARES

Great Improvement in Profits Follows New Conditions

From Our Own Correspondent.

MONTREAL.—The very excellent results that can be attained by a corporation under able management are demonstrated in the annual report of Quebec Power Company for the year 1924. Earnings were substantially increased over the previous year, indicating the increased efficiency that has come through consolidation of the Public Service Corporation of Quebec and the Quebec Railway, Light, Heat and Power Company, the latter of which was able to present only unsatisfactory financial reports before its incorporation in the Quebec Power Company.

The annual financial report of Quebec Power Company for the year shows income from all sources was $908,470, as compared with $544,090. Operating expenses were brought down to $230,284, as against $238,296. Net income after preferred dividends was $192,202, equal to 4.8 per cent. on common.

The profit and loss figures compare as follows:

	1924	1923
Gross income	$908,470	$544,090
Oper. exp.	230,280	238,296
Balance	$678.186	$305,794
Interest	300,000	100,903
Deprec.	30,000	24,000
Net inc.	$348,186	$180,890
Q.P.S. div.	......	40,000
Balance	$348,186	$140,890
Pfd. dividends	156,184	76,494
Com. dividends	157,352	....
Balance	$ 34,649	$ 64,395
Adjustments	......	96,961
Total	$ 34,649	$161.357
Stk. div.	......	160,000
Surplus	$ 34,649	$ 1,357
Prev. surplus	1,357	......
P. & L. balance	$ 36,006	$ 1,357

The increased income was partly due to the payment during the year of the interest on the Quebec Railway income bonds, for the second half of the year. The inauguration of payment of this interest is of special inportance to Quebec Power shareholders, as their company, according to a previous report, owns about 90 per cent. of the income bonds. This means about $3,000,000, the interest from which will bring $150,000 into the income account of Quebec Power. Allowing that this year will be at least as good as last, and not making any allowance for further reduction in operating expenses, which were again brought down last year, the full year's interest from the income bonds will give the common shareholders a showing of nearly 7 per cent. on their shares, and this would logically be accepted as suggesting a larger than 4 per cent. dividend during 1925.

The balance sheet shows total assets at $11,710,331, as compared with $11,398,640. The outstanding change in this section of the exhibit is the increase in the company's holdings of the securities of its subsidiaries, which are up from $5,521,508 to $7,172,324. Advances to subsidiaries, shown at $785,500 in the 1923 statement, have disappeared. The further exchange of Quebec Railway securities accounts for increases in the amounts of preferred and common stock outstanding.

Working Capital Still Strong

The 1923 statement showed working capital at nearly two millions, much more than the company would have use for in its operations, and some of this surplus now appears in other items of the balance sheet, such as plant and securities of subsidiaries and in temporary investments, which are up over $200,000 to $699,640. These changes leave the company with a working capital position of $1,139,052.

The working capital position of the company compares as follows:

	1924	1923
Current assets	$1,441,936	$2,087,247
Curr. liabilities	302,884	197,202
Work. capital	$1,139,052	$1,890.045

Large Capital Expenditure

As the decline in working capital indicates, large sums were expended during the year in extending and improving the properties controlled through subsidiaries. These extensions are outlined in the remarks of the president, Julian C. Smith.

During the year the Canadian Electric Light was wound up and its assets transferred to the Quebec Railway, Light, Heat and Power Co., Limited, thus reducing the number of subsidiary companies.

Porto Rico Will Show an Improved Position

Porto Rico Railway report, now being prepared for the past year, is expected to rank second to 1920 as the best in the company's history. This company has been steadily building up its lines and developing new power ventures, with the result that large sums from earnings have gone back into properties. Double tracking of the tramways lines remains to be done, after which the company's main construction plans will have been pretty well completed for a time.

Freight and passengers carried show a decrease in 1923 from 1922, but it is expected that the impending annual report will show a favorable recovery in these figures, as the island is doing well commercially. Jitney competition has been a factor in Porto Rico, as elsewhere, in impairing the company's passenger traffic.

In 1920, 8,855,195 passengers were carried as compared with 5,103,186 in 1923. In 1923 the company had operating difficulties on account of drought.

Average earned on preferred shares during the past ten years has been 15.48 per cent., and the average on the common was 2.83 per cent.

The company's net working capital stood at $211,443 at the end of 1923, and a profit and loss balance had been built up of $651,211. The company should show better than 5 per cent. earned on the junior stock in 1924.

Duluth Superior January Earnings Are Much Better

Duluth-Superior earnings for January showed steady improvement, amounting in all to 10.2 per cent. over the same month a year ago, or $16,275; the figures being: Jan., 1924, $160,783; Jan., 1925, $177,059. Each week of the month has shown a steady gain over the same week a year ago.

Customer Ownership Campaign for Quebec

MONTREAL.—The Quebec Power Company is planning a customer ownership campaign this year. According to the president, Julian C. Smith, in a statement to shareholders: "Your company, and its predecessor, the Dorchester Electric Co., were essentially local companies and your directors are anxious that the local interest in your company may be maintained and increased as much as possible. To this end your directors are offering early in 1925 to the customers of the company the right to subscribe to preferred shares and under conditions which, it is believed, will be very attractive.

"The policy of customers' ownership has been very successful in other places and your directors believe that Quebec city is peculiarly situated in this regard and that very substantial benefits can be gained both by the citizens of Quebec and by the company, in carrying out this policy and interesting the citizens of Quebec in the public utilities serving their needs."

Already progress has been made in interesting employees in stock subscriptions. During 1924, 255 employees bought 461 shares of stock.

Gatineau River Power Bonds Offered at 6.60%

An issue of $350,000 of Gatineau River Power Company, Limited, 6½ per cent., first mortgage, 15-year sinking fund gold bonds, is being made on the local market by Browne, Urquhart & Co.

The Gatineau River Power Company has been incorporated to take over the assets of the Maniwaki Electric Company, Limited, which company has been in successful operation since 1905. The older company developed and distributed electrical power in the Gatineau Valley, particularly in Maniwaki and the surrounding district. In addition, the company owns a telephone system, consisting of 200 miles of telephone lines of most modern type, which serves the district and connects the Gatineau Valley with Ottawa.

The purpose of the issue is to complete the purchase of the assets of the Maniwaki Electric Company, build over 50 miles of transmission lines, considerably extend the telephone system and complete the development of 2,500 horsepower at the present plant.

The issue is being made at 99 and accrued interest, to yield 6.60 per cent., carrying with it a bonus of two shares of common stock, of no par value, with each $1,000 of bonds.

SHAWINIGAN POWER

One important significance of the progress which the Quebec Power Company is making is its bearing upon the earnings of the Shawinigan company, both in income from investments in the company and in the growing market for its power which is being built up for distribution through Quebec Power. Incidentally this is only one of a number of enterprises in which Shawinigan is interested which should soon start to make a showing in the larger company's profit and loss account, and it would not be surprising to see Shawinigan's 1924 showing substantially ahead of its previous best record.

PUBLIC UTILITY EARNINGS

Brazilian Traction

DECEMBER, 1924	1924 Dollars	1923 Dollars
Gross Earn.	$ 2,443,315	$ 1,965,055
Oper. Exp.	$ 1,039,785	$ 770,662
Net Earn.	$1403,530	$ 1,194,393
Aggreg. Gross from January 1st	$26,936,767	$24,184,761
Aggre. Net from Jan. 1st	$16,643,472	$15,332,329

Simpson Co. Should Show An Increase in Profits

The report of Robert Simpson Co., now in course of preparation, will show that profits for the past year were higher and that the liquid position of the company has improved. During the past year the company had full use of the large new addition to its premises and merchandise to the total of $551,184 additional was required. The year 1923 was a good one for the company. Profits were $1,547,753. After dividends, tax and employees' reserves, $656,753 was added to surplus account, bringing the total carried forward into 1924 to $3,008,467. This was after reserves for depreciation on buildings and equipment had been increased by $361,067 to a total of $2,245,572, as against total building and equipment of $5,600,849, bringing that asset on the books down to $3,355,276. Net working capital stood at $4,838,447. Bonded indebtedness reduced to $1,891,575 as of January 31, 1924, while preferred shares outstanding were $3,350,000 and common shares $3,350,000.

Ames-Holden Tire Now Canadian Goodrich Rubber

From Our Own Correspondent.

MONTREAL. — Acquisition of Ames-Holden Tire Co. by the B. F. Goodrich Co., of Akron, Ohio, is a logical development, following the arrangement made some time ago whereby Ames-Holden Tire undertook the manufacture of tires for the Goodrich organization. The offer from the Goodrich Co. is likely to be accepted by practically all of the shareholders.

Four of the largest shareholders of the Canadian company have addressed a letter to the shareholders, notifying them that they have agreed to sell sufficient stock to give B. F. Goodrich control, and all the stockholders are being given the opportunity to participate in the offer, which is for $30 per share.

W. B. Weigand will remain in charge of the operation of the company, which will continue the sale of the Ames-Holden Tire brands.

It is the intention of the B. F. Goodrich Co. to immediately change the name of the company to the Canadian Goodrich Rubber Co., and to transfer to the company the present Canadian Goodrich Sales Co. No increase in capitalization will take place at the present time.

Up to the present Goodrich has owned about 6,000 shares of the 20,000 shares of stock outstanding.

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Iron and Steel

THE TARIFF AND THE GALVANIZED SHEET INDUSTRY

President of Dominion Sheet Metal Replies to Mr. Jones

In advocating a blanket tariff of 25 per cent. for Canadian manufactured products in a recent address which was reproduced in THE FINANCIAL POST, Frank P. Jones, president of the Canada Cement Company, made reference to the steel industry and to galvanized sheets in particular. This has brought the following review of the situation from T. A. Enlow, president, Dominion Sheet Metal Corporation:

Jones on the Tariff

Hamilton, February 6, 1925.
Editor, Financial Post, Toronto, Ont.

Sir:—In your issue January 30th you give quite a large amount of space to a tariff discussion by Mr. Frank P. Jones, president Canada Cement Company, delivered at McGill University.

We note that Mr. Jones' solution of the present tariff problem is exceedingly simple; in fact it exceeds the limits of simpleness and extends into silliness.

He recommends that a uniform blanket duty of 25 per cent. with the usual British preference allowance, to be put on all commodities and articles coming into Canada, and while I do not pose as a tariff expert I know that anyone who knew even a modicum about tariff could shoot this so full of holes that it could be used in the cement business for sifting sand.

Mr. Jones refers to various tariff clauses in effect at the present time, and states that they are inequitable, because they do not benefit the consumers in Canada but benefit only a limited class, who, as he says, "run to Ottawa frequently."

He instances the manufacturer of galvanized sheets, and as we were the only manufacturers of this commodity in Canada in 1924, we take the liberty of dissecting the paragraph with the kind use of your space.

The manufacturer of galvanized sheets is privileged, as Mr. Jones states, to bring in black sheets for galvanizing purposes free of duty, but he adds that the consuming public gets no benefit because the cost is not reduced.

We call to your attention the fact that we very frequently sell galvanized sheets below the import price, this being illustrated by to-day's figures, with No. 28 U.S. ga. galvanized $4.85 base Pittsburgh, adding 61c. duty and 34c. freight makes the delivered price $5.80 per 100 lbs., carload lots f.o.b. Hamilton or Toronto, against which we are selling at $5.55, thus giving the customer here the benefit of $5.00 per ton.

It is true that we cannot always do this, but it has been our invariable practice where it was possible to give the Canadian consumer any benefit through our purchase of raw materials or through economies in effect, and in addition we save them money by carrying stocks available for immediate delivery by truck or rail, thus saving the wholesale dealers and manufacturers a great deal in carrying charges and depreciation, because galvanized sheets depreciate rapidly under certain atmospheric conditions.

Mr. Jones states that in order to get the benefit of $5 worth of labor in making galvanized sheets, the present rate prevents the spending of $60 a ton labor in making black sheets. His figures are very inaccurate because the cost of labor, figuring in supplies, used and made in Canada, is $15 a ton and not $5.

Furthermore, we produced only one-third of the galvanized sheets used in Canada, and none of the black sheets used in that form, and we cannot conceive why the producers are holding back unless it is said that the duty is not high enough on black sheets, which we concede may be possible, but this has nothing to do with the production of galvanized sheets. Enough black sheets are consumed in Canada yearly to run ten mills steadily, and without reference to the quantity used for making galvanized sheets.

We call your attention ta the fact that since we started our plant here in 1915 we have produced more than 100,000 tons galvanized sheets, spent more than $1,500,000 in direct labor and supplies made in Canada.

We have used over 10,000 tons of zinc, mined in British Columbia, selling at an average of $120 a ton, or total cost $1,200,000, all absolutely beneficial to Canada, and in addition it has stimulated this Canadian industry.

We have 12½ per cent. duty from the U. S. on galvanized sheets, as protection, but this is subject to 5 per cent. dump, which most of the large buyers receive, thus leaving 7½ per cent. net, which is really the extent of the protection against imports from the U. S.

As for shipments from England the duty is 7½ per cent., with a 5 per cent. dump allowance, and last year the average depreciation of English currency was 7 to 9 per cent. so that we had 5 per cent. less than nothing in the way of a duty, and the English makers shipped in more galvanized sheets than we produced.

An active open competitive situation prevails in the galvanized sheet business in Canada, and this leads us up to the question of Mr. Jones' business.

How about cement? We find that no imports worth mentioning in cement in the year 1924—labor cost here for making cement less than in the United States—raw materials practically the same, or less—and the duty 8c. per 100 lbs. or about 25c. a barrel.

Mr. Jones wants the duty put up to 25 per cent. which would be approximately 50c. a barrel, and why? Very evidently so they can increase a very handsome profit shown in the statement just given out, where they show a good surplus after paying full dividends on preferred and common stocks in a dull year.

Even the dullest statistician can see that with the present practical monopoly in cement the Canadian producers would simply add the increased duty to their already handsome profit, and therefore we maintain that before Mr. Jones hands out gratuitous advice on tariff making, he should be better posted and less interested.

Sincerely,
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A. T. Enlow, president.

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N.S. COAL STRIKE HARD TO AVOID NOW

With Upsetting of Lemieux Act a Break Between Besco and Workers Seems Certain

From Our Own Correspondent.

SYDNEY.—In view of the situation which has resulted from the upsetting of the Lemieux Act by the Privy Council, it is hard to see how a strike in the Nova Scotia coalfields is to be avoided. It may be staved off for a few weeks, but it will come sooner or later.

Two main decisions were reached at the special and secret convention of the U.M.W. (District 26) held in Sydney. The first, which was announced, is this: The miners offer to sign a contract for four months at present rates, providing there is an impartial investigation of the ownership, operation, and financing of Besco.

The second, which was not announced, or published, is this: To strike, or cease work and proclaim a lockout, whenever the company posts notices of wage reduction.

It is considered extremely unlikely that Besco would ever consent to such an enquiry as that proposed; and not much likelier that the federal government would institute an independent probe of its own account.

What the miners are really angling for is to carry the dispute along until May when weather conditions make striking easier. (They can get no financial assistance from the International until after the first 30 days).

Their second decision is the one that will probably be called into play.

The Winfield conciliation board has been nearly lost in the shuffle.

A note in the current number of the bulletin of the British Empire Steel Corporation states that: "Sales of ore to Germany are being negotiated through the London office. Already a considerable tonnage has been closed and it is hoped that by the time the shipping season commences further contracts may be made. This will provide some employment for the miners at Wabana, but it seems a pity that there is no encouragement to use a larger quantity of this ore in Canada and that it has to go abroad to furnish material and provide employment for foreign workmen."

FORD MOTOR HEAD CONDEMNS SPLIT

General Manager Regrets Use of Company Name for Speculative Purposes

The attempt of brokers in New York to sell Ford of Canada share units in Canada and England, referred to and condemned in recent issues of THE FINANCIAL POST has been considered worthy of attention of the heads of the Ford of Canada Company. Wallace R. Campbell, vice-president and general manager of the Ford Company, says that the company disapproves of the scheme and regrets that the use of the company's name is being made for speculative purposes. His statement follows:

"In response to many inquiries about a plan which offers so-called 'bankers' shares' in Ford Motor of Canada stock, this statement is made:

"The Ford Motor Company disapproves of the scheme and regrets the use made of the Ford name for speculative purposes.

"The plan of the scheme is this: a share of Ford Motor of Canada stock is bought at $470 or $460 or $450—whatever may be its stock-market price on the day the purchase is made.

"The speculator purchases this stock and divides it into 100 pieces which he calls 'bankers' shares,' and sells at $6 of $6.50 each (there are two rates advertised). For each 100 pieces, costing him $470, more or less, depending upon its current market price, he receives $600 or $650 from those who call for his offer and buy from him. This is a good profit to begin with. He sells you at the rate of $600 or $650 what anyone can buy for considerably less. He gets his money back with profit. All you have is a certificate showing that you have paid for a portion of a share of stock which you do not hold.

"If the stock pays no dividends, it makes no difference to the peddler of 'bankers' shares:' he has already made a large profit from the 'easy marks' who bought the 'shares.'

"If it is good business to pay $600 or $650 for a stock that costs much less on the open market then it is good business to buy these so-called 'bankers' shares.' Otherwise not.

"Circulars are sent by the speculator to all classes of persons. Owners of Ford cars especially are informed that they will be 'permitted' to buy as many as 50 shares.

"The whole emphasis is on the Ford name. A synonym for honesty and worth is being used to carry a shrewd money-making scheme."

STEEL COMPANIES IMPROVING OUPUT

Steel of Canada Working at Three-Quarters Capacity—Algoma to Roll Rails

Steel producers will in February exceed production totals of January by considerable amounts, according to present indications. Release of further orders by railroad companies is a large factor in increasing the scale of operations, with further stimulation indicated because of improved demand for supplies from general industry, according to Canadian Machinery.

Steel Company of Canada operations are nearing three-quarters of capacity, with a further advance in the prices of bars expected momentarily. The British Empire Steel Corporation, having achieved an interim agreement with workmen, is planning to increase operations. Twenty miles of 85-lb. steel has been ordered from Besco by the Canadian Pacific Railway for use on the company's lines in Maine. Lighter rails released will be retained for use in whatever branch line construction may be decided on later. Work has commenced on the order for cars received by the Eastern Car Co., New Glasgow.

The Algoma Steel Corporation's rail mill at Sault Ste. Marie will commence rolling about March 2 on an order for two hundred and eighty miles of 100-lb. rails, with fastenings, for the Canadian Pacific Railway. This steel will be used to complete the 100-lb. double tracking between Fort William and Winnipeg, and for the few miles still under 90-lb. steel between Three Rivers and Quebec. The plant is busily engaged in producing steel in anticipation of the re-opening of the rail mill. Three hundred miles of singletrack, 100-lb. rails would approximate 52,800 tons of steel.

Automobile plants are advancing production schedules, and it is understood the Oshawa plant of General Motors Corporation is producing almost at capacity. Foundries generally are buying freely, as, in production on railroad car orders and preparation for spring demand for their products, supplies are needed to replenish stocks allowed to run low over the year end.

Additional Units Now Being Operated by Besco

From Our Own Correspondent.

SYDNEY.—Confirming THE FINANCIAL POST'S prediction of several weeks ago that full operation of the Sydney plant of Besco cannot be long delayed, Vice-president McLurg has started up the following additional departments: Three open hearths, delivering 450 tons of steel daily; blooming mill, billet mill, bar mill, rod mill and wire mill. Many men went back into the mills here last Monday who had not struck a tap since being laid off last August. The corporation is believed to have quite extensive rail orders and reopening of the whole plant must come soon, unless a strike of the miners makes it impossible to get coal.

Railway Equipment Orders Being Steadily Placed

Premier Ferguson, Ontario, announces orders placed with Kingston Locomotive for three engines for the T. & N. O. railway with other orders to follow.

The Canadian National Railways has ordered eleven tourist cars from the National Steel Car Co., Hamilton, three hundred and twenty-five automobile cars from the Canadian Car and Foundry Co., Montreal, and a further one hundred and seventy-five automobile cars from the Eastern Car Co., New Glasgow, N. S.

While no rail orders have yet been publicly announced, steel mills will secure considerable business from the car orders. Twelve new street cars to cost $252,600, have also been ordered from the Canadian Car and Foundry Co., by the British Columbia Electric Railway Co. The Baldwin Locomotive Co. has received orders from the Canadian National Railway for five passenger locomotives of the 6000 type, for duty on the railway's American lines.

Steel of Canada Common Close to Former Record

Rather heavy buying has developed in Steel of Canada, common, and as a result the price has been carried to 88, or just a fraction below its high for all time of 88¼ in Jan. 1920. Trading was in such volume as to suggest the possibility of some special development. The buying was scattered with selling reported as coming mainly from two quarters where substantial profits were being realized. Further investigation in official circles failed to reveal any new development and it is understood that the final figures for the 1924 year are not yet compiled, so that rumors of the common dividend having been fully earned in the trying period could not be officially confirmed. However, one does not have to go far to find ample reason for the stock being considered attractive. It has been selling at price levels which gives it one of the highest yields on the board, this despite the fact of its fine showing in the stagnant 1921 and 1922 period, and its strong recuperation in 1923, and a financial position excelled by few companies whose securities are listed here. At the end of 1923 it had net working capital amounting to over 11¼ millions, nearly equal to the combined amount of bonds and preferred stock outstanding, which leaves the common with a high book value. The career of this company is justifying the same administration methods which have placed the company in such a strong position. The stock has been selling far out of line with many less worthy issues. A Montreal report says that among the buyers was noted one house which, a couple of years ago, could see no good in the Canadian steel industry, including this company.

Western Grocer Common Shares Score an Advance

Western Grocer common shares recently moved up six points at Montreal to 11¾. No special news was behind the movement, and it is expected that the new interest in the stock reflects the improved position of the company. It is believed that the 12th annual report, covering operations to Dec. 31, 1924, will show an improvement over 1923. Preferred shares are piling up dividend arrears since July, 1923. On one previous occasion 35 per cent. in preferred arrears were paid on stock.

BINDER NOW COSTS 154 BUS. OF WHEAT

Relative Value of Products Farmer Buys and Sells Are Improved

The improved position of the Western farmer was vividly shown at the annual meeting of Massey-Harris. President Vincent Massey pointed out that whereas in 1922 it took 336 bushels of wheat to buy a binder, it now takes only 154. In other words, the relative value of what he buys to what he sells has greatly improved. This has been the chief cause of his troubles. In 1914 he could buy a binder for 115 bushels. Mr. Massey thinks that signs point to the high price of wheat continuing for some time to come. This will help the Canadian implement industry.

Dealing with exports, he said that Massey-Harris' sales in Europe in 1924 were only 78 per cent. of those of 1923. The unemployment in Europe since the war precluded the need of new agricultural machinery for labor. This situation now is changing. Russia at present is practically eliminated as a market owing to lack of credit. An increase of business in Germany should soon be witnessed. Britain, through the approach of sterling exchange to par, will again soon become an important factor in the firm's export trade. France is at present the company's best customer. The president pointed out, however, the tariff regulations in Europe may necessitate the company erecting manufacturing plants outside of the Dominion.

Argentina had a good crop in 1924 and this should be reflected in the company's next annual report. This year that country was a disappointment though sales were twice 1923. As Argentine exchange has improved when results of current operations are known, the returns may be better.

RAILWAY EARNINGS

Canadian Pacific Railway

Week end:	1925	1924	Change
Feb. 7	$2,758,000	$3,055,000	—$297,000

Canadian National Railways

Week end:	1925	1924	Change
Jan. 31 ...	$ 5,605,956	$5,795,875	—$189,919

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In face of handicaps, Canadian Pacific freight rates are lowest on the continent

ONE of the expensive factors in operating a railway in Canada is that the big movement of grain and livestock is practically confined to four months, from September to December inclusive.

The Canadian Pacific must be prepared to take care of this traffic when it is ready to be moved. It must keep on hand literally thousands of freight cars and hundreds of locomotives, many of which lie idle for eight months in the year.

Not only does this equipment lie idle waiting for the big rush, but most of it must be hauled empty one way because, unfortunately, there is little if any more traffic from the opposite direction than at other seasons of the year. If this equipment could be kept busy, and earning, the year round, operating costs would be greatly reduced.

Yet in face of this handicap and its consequent effect in raising the cost of operation, freight rates in Canada are lower than in any other country, while the earnings of Canadian roads per ton mile are lower, due to the much longer hauls and sparser population in Canada.

Canadian Pacific Railway average receipts per ton per mile for freight in the year 1923 were .929 of one cent.

Railways of the United States average receipts per ton per mile of freight for the year 1923 were 1.125 cents or 21.10% greater than the average of the Canadian Pacific.

Railways of Great Britain average receipts per ton per mile of freight for the year 1922 (the last year reported) were 3.351c, or 260.7% greater than the average of the Canadian Pacific.

Only good management and sound, economical financing of the Canadian Pacific, by which capital charges have been kept at a minimum, have made possible these low rates in face of low per-ton-per-mile earnings.

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News of the Mines for the Investor

LOW PRICED MINE SHARES ARE QUITE ACTIVE AND HIGHER

Preparation for Spring Development Focuses Attention on Them

What are generally referred to as the "Cats and Dogs" of the mining list are having their innings. These are the cheaper stocks, the prospects and in some cases wild cats. Several of these issues have been quite active of late and some good advances have been scored, due to news of refinancing or the resumption of operations in nearly all cases. These activities are about the first of many that are expected to be undertaken between now and spring. There is a feeling abroad that more properties will get active work under way this year than ever before in the north country. This means that a great deal of new money is being brought in for the mines, and will reulst in a great deal more business being transacted in the various mining camps.

The mining list, on the whole, has held quite firm during the week. All the large producers have held their place with the exception of Lake Shore, which is now at $5.50, the highest price it has ever sold at. There is a rumor about that Harry Oakes has been offered $7 for his interest of 600,000 shares. This is doubted. It is known that such an offer would hardly be entertained. It is interesting to note that at such a price the market valuation on the mine is $11,000,000, or just $2,500,000 under the valuation the market places on McIntyre. Both are paying 20 per cent. It is reported that Lake Shore has ordered a new hoist capable of going to 2,500-ft., and that deepening of the shaft will be undertaken when it is in place. This is said to be a prelude to increasing the tonnage to 500 tons daily. The ore reserves of the mine are good for a number of years.

Night Hawk Up

Another spectacular move was that of Night Hawk which jumped up over 20 points in a couple of days. It is expected that the annual report for the year will show that production was around $260,000. The company is now well financed, having sold its recent bond issue and it is said to be just a matter of waiting now for the shareholders.

Teck-Hughes shares have been rather quiet but firm of late. The company by a second crosscut on the seventh level has cut the ore body cut not long ago, fifty feet away. Values are said to check fairly well, $15 to $18 over 18-ft.

Keora has advanced to 12, and it is predicted that it is going much higher. The company is said to be getting good results on the South Keora property, and said to have concluded another important deal which will not be made public for some time yet. It is said that it will change the whole complexion of the proposition. As reported last week, Bidgood has been refinanced. The shares are now at 12 cents, but as yet no official announcement of the deal has been made. Some of the Standard Exchange brokers have underwritten enough Baldwin stock at a price around 10 cents to give the company $30,000, and it is expected that in a week or so work will be resumed on what is termed the promising 300-ft. level.

Cut Into New Area on The Provincial-Cobalt

Clifton Consolidated has laid out an aggressive development campaign for the Provincial property. It involves running two cross-cuts to explore the promising unexplored section of the property. One cross-cut will be from the 100-ft. level south as nearing the boundary the contact gradually rises and this, experts agree, is the promising section in which to get silver values. Just north of the bottom of the shaft the dipping contact starts to rise again so that a cross-cut north on the 300th will explore this promising area. Already there are two or three promising looking veins encountered in work carried on from the old workings but the most promising outlook is the new work just being started.

DR. MILLER'S DEATH

In the passing of Dr. Willet G. Miller, director of the geological department of the Ontario Dept. of Mines, geology the world over suffered a loss. He was the first to report on the Cobalt silver field and his mapping of that section and his general report has stood well the test of subsequent developments. It was rather coincident that just in 1924 was the second report on Cobalt made, and this by Cyril Knight, who was Dr. Miller's assistant in making the first report. Dr. Miller was not only an efficient geologist but he also maintained an efficient staff providing the province with the best men possible. As a result of this policy, the department is left in a strong position to carry on. Last year Dr. Miller was elected chairman of the geological section of the British Association for Advancement of Science and was to have gone to London this year to preside at the meeting.

VISITING SISCOE PROPERTY

MONTREAL.—Charles Spearman, the consulting mining engineer, left this week for the north. He will spend a considerable time on the property of Siscoe Gold Mines.

NIGHT HAWK BOND ISSUE

Night Hawk Peninsula Mine is expected to announce its bond issue shortly. Night Hawk's production last year was $259,000.

C.N.R. Decides to Build Branch to Quebec Mines

C. N. R. will enter North Western Quebec. This decision has been reached; work, however, cannot go on until the branch is approved by the Commons and Senate. In the meantime many small centres along the Transcontinental will make a bid to get the branch to start from there. The announcement will be of great importance to the mining companies, especially Noranda, which is nearly ready to ship ore from Horne property if transportation was available. Pres. J. Y. Murdock of Noranda makes the point that Horne ore reserves are now greater than the combined reserves of Hollinger and Dome at the time the T. and N. O. Timmins branch line was built.

CROWN RESERVE ORE RUNS 7 DOLLARS

Company Has Over Million Dollars Worth Blocked Out, Says President

Crown Reserve annual report estimates blocked out ore at over $1,000,000. The average is about $7 per ton. During 1924 the company spent $282,259 on the Larder Lake property. President W. I. Gear expresses the hope that continued development will warrant the commencement of a mill at an early date. He says that the ore exposures opened up on the four levels, namely, 175 feet, 300 feet, 425 feet and 550 feet, were further developed during the past year by lateral work on each level. Considerable drifting beyond the ore limits easterly was also done exploring for other possible ore shoots. Raises were made between the several levels through the ore to prove the continuity of the vein in values, and to prepare the ore for stoping, and to ventilate the mine property. During the past three months a winze has been sunk on the No. 1 vein from the 550-foot level. This work proves the downward continuity of the vein, the values continuing about the same as in the upper level. The winze at the end of December was down 215 feet. Two new levels will be opened up through this winze, and the No. 1 vein fully explored at each level.

BIG ROUYN MERGER

MONTREAL.—Of interest to shareholders in Rouyn Gold Mines, Rouyn-Quebec and Ottawa-Rouyn Gold Mines is the fact that this week a provincial charter was given a new company, the Quebec Gold Belt, which has been incorporated with a capital of $15,000,000, divided into 3,000,000 shares of $5 par value. It is learned that the new corporation will acquire mining rights on the properties of the three older companies, by issuing stock in exchange for the rights. This automatically turns the Rouyn, Rouyn-Quebec and the Ottawa-Rouyn into holding companies only. This means that the Quebec Gold Belt company will have the rights to over 4,000 acres of favorably situated ground in Quebec, Of this, 40 claims are being contributed by the new company.

SILVER AND OTHER METALS

Feb.—	9	10	11	12
Silver—				
London (d.)	32¼	32¼	32¼	32¼
New York	68½	68½	68⅝	68½
Copper	14⅞	14⅞	14⅞	14⅞
Lead	9.50	9.50	9.50	9.50
Zinc	7.45	7.45	7.55	7.45

Notes on Mine Progress

QUARTER MILLION OUNCES

About 250,000 ounces of silver has been produced from the high grade Watson vein shoot of Mining Corp. in S. Lorrain.

McINTYRE EARNINGS

McIntyre net profits are now estimated at $145,000 monthly with a prospect of an early increase to a point where it will amount to 50 per cent. on the issued stock.

ROUYN OUTLOOK

Engineers of good standing are reported as expressing the opinion that Rouyn is now pretty well assured of having several important mines.

CANADIAN LORRAIN

Canadian Lorrain operations are proceeding steadily but there were no developments of importance during the past month.

KEORA

Shareholders of Keora mines are receiving a circular from the directors this week in which they are informed that important developments in the affairs of the company are taking place. Details are not given and will not likely be made public for a month.

GOOD RESULTS IN ROUYN

On the Huronian Belt property in Rouyn surface work and test pits have disclosed additional showings of visible gold. These showings are in addition to the main vein which gives assays of payable grade in what appears to be an important ore shoot. No official information has been given out in regard the diamond drilling but unofficial information is that the results were of a favorable nature. The formation is porphyry-conglomerate.

KEELEY

Keeley production during January was 124,884 ounces of silver and 15,191 lbs. of cobalt. In developments on veins 16 and 26 at the eighth level, the continuation of Z ore shoot, previously only indicated, was more definitely proven. This shoot averages 50 ounces over 42 inches for a length of 242 feet. At a depth of 100 feet below the eighth level a cross-cut from the bottom of the recently completed winze has intersected the 16 vein system. It shows a width of over five feet and included two veins, one averaging 300 ounces over 30 inches; the second, about 1,500 ounces over four inches. Lateral development has been commenced at the new horizon.

VIPOND

Vipond Consolidated in January produced $44,600 from 5,204 tons milled. What may be No. 16 vein, discovered on the surface, has been intersected by a cross-cut at the 400-ft. level but development has not proceeded sufficiently far to determine the importance of the vein. Three diamond drill holes were driven below the 1,000-ft. level in order to prove No. 11 vein to a depth of 100 feet below that horizon. All three holes indicated good values, the best results being obtained 62 feet below the level, where the core indicated $18 ore over a true width of six feet. Similar holes, drilled to prove No. 10 vein below 1,000 feet, gave very encouraging results, one hole having encountered five feet (true width) of $19 ore at a depth of 1,080 feet. These very promising indications are being checked by work now in progress. Both holes above the drift on number ten vein at the thousand-foot level are also giving encouraging results.

MYERS IS STILL CONFIDENT BINGO WILL MAKE GOOD

Managing Director Returns to Canada to Face Winnipeg Charge

Jos. Myers, managing director of Bingo Gold Mines, has sailed for Canada on his way back to Winnipeg to face charges laid against him charging fraud in connection with the values of the mine. He is on bail. To hand are verbatim reports of the annual meeting of the Bingo Company, held a day or so before Mr. Myers' arrest and which meeting unanimously voted confidence in the directors and Myers.

Sir William Maxwell, who visited the Bingo property last year, spoke of the uniformly favorable reports which the London directors had received from the mine during the previous two years, and which reports were endorsed by the company's engineers. Then the early report from the Dorr Co. was suddenly contradicted by the second report. The directors were asked to ignore all the previous examinations, to neglect the result of two years' sampling, to denounce the Dorr Co.'s first report on the mere receipt of a cable based on 19 assays taken from the cross-cut by the Dorr Co. The board felt that to issue an announcement without any confirmation would have been to inflict irreparable damage on the shareholders. As their engineer was at the mine, and was making an examination which the board had previously decided should begin as soon as the development was completed, they awaited his report before giving out any statement; but that statement was given out as soon as general effect of the report was known by cable. The Dorr Co.'s unfavorable report was, he regretted to say, confirmed by the company's consulting engineer. The directors, therefore, sought an independent report from J. A. Dresser, a past president of the Canadian Mining Institute, and this report, dated December 27, generally confirmed that of Mr. Reid and the second Dorr report.

The directors in London, the board of management in Winnipeg, and the staff at the mine had spared no effort to solve the problem of what possible explanation there could be for the serious discrepancy. It certainly seemed incredible that nearly 1,000 samples taken over a period of nearly two years could have have been tampered with so thoroughly and systematically. They were taken not by any one person, but by several persons, and were assayed by more than one firm. Incredible though it might seem, this explanation had not been dismissed. They had looked for a possible motive, but could find no reason that should have prompted any individual to undertake so prolonged and skilful a crime. Experts were now engaged in an investigation which had reached a critical stage.

Mr. Myers touched on the various early reports which were favorable and dealing with the discrepancies between these and the latest, he pointed out that it was no function of the Dorr Co., nor were they instructed to make a complete valuation of the mine. It was their function, as milling consultants, to determine the best way of extracting gold therefrom. When, four months later, they again came to the mine to check up on their previous findings, they took samples only from the cross cuts. Their samples on that occasion gave only negligible quantities of gold. In considering the differences in value between the staff samplings and those of Professor DeLury, Mr. Fairchild, and others, which were good, as compared with those of Mr. Reid, their consulting engineer, and Mr. Dresser, which were bad, Mr. Myers pointed out that the value which attached to both Mr. Reid's and Mr. Dresser's reports depended entirely on the samples they took and how they took them. Mr. Myers showed that the samples taken by the mine staff were nearly three times as many as those taken by Mr. Reid and at less than half his intervals, and nearly four times as many as Mr. Dresser and one-quarter his intervals, while in addition the company had records of about 150 samples taken in the shaft, where Mr. Reid took none and Mr. Dresser only twenty; and he claimed that estimates based on the sampling by the staff should be given equal credence with the estimates offered by anyone else, however expert.

Myers Has Confidence

"Where then," Mr. Myers asked, "are we to find an explanation of these honest, but conflicting findings? We make allowance for the personal factor, but I am convinced that the real answer is to be found in the variable character of the ore, and in the unproven nature of the whole field and formation in which we are working. Remember we are now only down to the 400-ft. level. Bingo has done the only real development work in the district, with the exception of the Rex Mine, which has workings, I understand, of about the same depth, and is now running through its mill some very good ore indeed. The Rex Mine is three-quarters of a mile away from the Bingo shaft. When we first began opening up the Bingo Mine values we thought were contained in a comparatively narrow ore body of some 18 in. average width. At a still later period we thought, from our sample assays, that the country rock also carried good paying values, and the results of those findings were given to the shareholders at the last annual meeting.

"You have a right to ask me for my own opinion. I believe, because I cannot doubt the evidence of my own eyes, the evidence of a dozen honest men, and the evidence of samples assayed by the Canadian Government, that there exists a large tonnage of gold-bearing vein matter in the Bingo Mine. I also believe that this gold content is in the majority of cases unequally distributed even within very narrow limits. It is along these lines that I think investigation of the differences between us and our experts can proceed with the best likelihood of some solution. But the best solution of our present controversy would be the return from a run of all our dump through a good mill, since the contents of this dump represents the whole of the excavations from the Bingo Mine."

In last week's article on the Bingo, a statement was made that was not quite explicit, and so might be open to a charge of unfairness to Mr. Myers. It related to retaining F. C. Loring to examine the Bingo. Mr. Loring was to have been met by Myers and make final arrangements to go to the property. London interests understood that the examination should be made but the final arrangements with Myers were not made. Myers wrote asking what Mr. Loring's fee would be and stating that the examination could not be made for three months. If then, the directors wanted it, he would be notified. He never was.

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FOREIGN EXCHANGE CHART

The Bank of Montreal has issued a booklet of charts of foreign exchange for the past few years. New York funds, francs and sterling are shown in the graphs.

COMMERCE OFFICIALS AT WINNIPEG

WINNIPEG.—Western senior officials of the Canadian Bank of Commerce were here for a meeting prior to the conference of branch managers of the Manitoba and Rainy River districts. J. V. Corbet, superintendent of Alberta branches; B. P. Alley, superintendent of Saskatchewan branches, and W. M. Morton, inspector of British Columbia branches, were among those attending. G. W. Allan, K. C., Mr. Alley and F. E. Kelvert addressed the managers and C. W. Rowley, assistant general manager, entertained the visitors at luncheon. Some seventy officers of the bank attended the meetings.

Exchange

Little excitement of any kind has taken place on the exchange markets during the week. The mid-week recess in the New York market added to the quietness of the week, and trading has been pretty well limited to actual commercial requirements. New York funds remain at a premium of about one-eighth in relation to the Canadian dollar. European quotations are strong all around, although the volume of business has been very limited there as well.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Feb. 5	1—8	3—32	3	3
Feb. 6	3—16	5—32	3 1—32	3
Feb. 7	3—16	5—32	3 1—32	3
Feb. 9	3—16	5—32	3 1—32	3
Feb. 10	5—32	1—8	3	3
Feb. 11	5—32	1—8	3 1—16	3

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Dem.
Feb. 5	4.78⅞	5.42½	4.16½
Feb. 6	4.77½	5.38	4.14½
Feb. 7	4.77	5.38	4.14¼
Feb. 9	4.78¼	5.37¾	4.14½
Feb. 10	4.77⅞	5.36	4.13½
Feb. 11	4.78	5.36½	4.14½

Current Events in Banking World

NOTHING SAID IN THRONE SPEECH AS TO FARM CREDITS

Farm Prices Meeting the Situation—Reserve Bank Asked

From Our Own Correspondent.

OTTAWA.—The omission from the government's legislative programme as announced at the opening of the session of any reference to agricultural credits has caused much comment among western members, especially those from Alberta. For the most part they belong to the "Ginger Group" and make a specialty of banking and matters relating thereto.

In a sense this omission occasions no surprise, for it has been noted that there has been a cooling off on the subject of agricultural credits. So it has been another case of coming events casting their shadows before. In politics one generally knows what is coming by the noise made about it. Good things do not come unheralded. There are always a number who are only too willing to prepare the way. Besides, a politician never hesitates to pass along a popular proposal, if he is the father of it.

At the close of last session the house seemed to be converted to the necessity of introducing a system of Dominion-wide farm credits. The banking and commerce committee had recommended the principle, and Dr. Tory had practically done the same. Indeed, as far as one could see, all that remained was for the latter to recommend a practicable scheme.

It is, however, but fair to say that Hon. J. A. Robb, acting minister of finance, had never committed himself to it. All along he has appeared to have the impression that the western farmers would get more benefit from a good crop at good prices than from anything else. Last year the crops were not nearly as good as they might have been, but the prices are the best since the peak of the war years. In addition, reports from the West have been so optimistic that possibly the government thinks that the old necessity for farm credits has passed.

But a number of the western members, especially those from Alberta, do not think so. They contend that too much countenance has been given the principle to warrant going back on it. They say that if for nothing else, such a system of credits is needed to take care of old debts. As these members are both aggressive and persistent it is unlikely that they will allow the subject to be passed up.

Federal Reserve Bank

G. C. Coote has given notice of a motion asking that the house refer to the banking and commerce committee a resolution favoring the establishment of a federal reserve bank. As compared with some other resolutions of this kind that have appeared in the house, this is mild and designedly so. Nothing can get before the committee, save what the house sends there. As yet there are no amendments to the Bank Act in sight, and if none were submitted there would be nothing to call the committee together for except by special reference. In the past the opportunity for general discussions on banking has come through the consideration of amendments to the Bank Act.

From this it is quite evident that getting matters before the banking and commerce committee for discussion may not be as easy as it has been during preceding sessions. It all depends on the inclination of the house which, of course, is largely determined by the government.

MONTREAL C.&D. BANK INCREASES PROFITS

Deposits Also Rise to $52,000,000 From 230,000 Depositors

From Our Own Correspondent.

MONTREAL.—Further steady progress during 1924 was shown by Montreal City and District Savings Bank, according to the year's financial report presented to the shareholders this week. This bank, which caters largely to the savers among Montreal workmen, invests its funds in high grade liquid securities and call loans only and is distinct from other Canadian banks in that it makes no commercial loans at all. The large volume of business done in a concentrated area enables the bank to make substantial profits on the narrow margin that exists between the rate paid to depositors and the rate received on the investments.

Net profits for the period under review were $272,056, as compared with $268,101 in 1923.

Chief among the changes in the balance sheet is an increase in deposits of over $2,000,000, bringing these to $52,256,531.

Profit and loss accounts for past two years compare as follows:

	1924	1923
Net profits	$272,056	$268,101
Dividends	199,810	199,810
Balance	$ 72,246	$ 68,291
Donations	8,000	7,500
Surplus	$ 64,246	$ 60,791
Prev. surp.	216,320	405,528
Balance	$280,566	$466,319
Trans. to res.		250,000
Total surplus	$280,566	$216,319

The bank now has over 230,000 depositors.

NORTHERN ONTARIO'S EXPORTS

NORTH BAY.—Exports to the United States from Northern Ontario during 1924 show an increase over the previous year of $15,851,661, or approximately 50 per cent., according to a statement issued by the United States vice-consul here.

Nothing Definite for the Home Bank Depositors

From Our Own Correspondent.

OTTAWA.—The Home Bank depositors are rather aprpehensive over the omission of any reference to them in the speech from the throne. There is no doubt that they had expected it, the very fact that the banking committee had recommended favorable consideration of their claim having induced many of them to think that all that remained was to get their checks. But the fact is that the government has never officially admitted its responsibility. It is quite possible it may do something, and the odds seem to favor such action. But what alarms the Home Bank victims is the absence, as yet, of any indication of action.

The government is sure to be prodded on this point both by the Opposition, by the Progressives, and by some of its own leading members. Among the last mentioned is no less a member than A. F. Healey, of North Essex, who is leaving no stone unturned to see that the Home Bank depositors get something. But the old question comes up—where will the money come from? If the government comes through this year it will have to borrow it.

The question of reimbursement has since been raised in the house on question and Premier King has intimated that he expected to be ready to make a statement "in a short time."

Staff Gossip

F. C. Maynard, of the Port Arthur branch of the Bank of Montreal, has been transferred to Oak Lake, Man.—The Times-Journal, Fort William.

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Seymour Papper, of the staff of the East End branch of the Bank of Montreal, has been transferred to the Hensall branch as manager. — The Free Press, London.

• • •

H. I. Miller, manager of the west end branch, Bank of Commerce, Calgary, has been appointed manager of the Port Arthur branch in succession to C. F. A. Gregory, who leaves shortly for his new appointment as manager of the Kingston, Jamaica, (B.W.I.) branch of the bank. — The Times-Journal, Fort William.

• • •

L. Woolcombe, who has been manager of the local branch of the Union Bank for a number of years, is retiring from the service of the bank on a pension after over thirty years' service with that institution. He is being succeeded by H. R. McClung, formerly manager of the bank's branch at Elm Creek.—The Reporter, Rapid City.

• • •

Douglas S. Mahood, who has been handling the export documents section of the foreign exchange department of the Canadian Bank of Commerce at Vancouver, is being transferred to the Nelson branch of the bank as accountant. Mr. Mahood, who is senior man in the foreign exchange department of the bank in Vancouver, has been resident in the city for the past four or five years.—The Province, Vancouver.

• • •

W. H. Dunsford, manager of the local branch of the Canadian Bank of Commerce, has been transferred to Toronto to act as manager of the securities department of the head office of the Bank of Commerce in that city. A. J. Reynolds, manager of the Bank of Commerce in Prince Albert, Saskatchewan, will succeed Mr. Dunsford as manager of the local branch. — The Examiner, Peterborough.

• • •

L. I. Armitage, who has been teller-accountant in the local branch of the Union Bank for the past two years, has been promoted to the Moose Jaw branch, where he will hold the position of accountant. Mr. Armitage has been a very popular servant of the bank and the best wishes of his many warm friends will follow him. He is succeeded by B. Oke of the Arcola branch.—The Mercury, Estevan.

• • •

A pleasing feature marking the departure of D. Cameron, who has been accountant at the Regina branch for the last five years, to take the post of auditor at Winnipeg, was the presentation to him by his co-workers in the branch of a handsome club bag. In making the presentation to Mr. Cameron, the acting manager of the branch, Mr. Reynolds, expressed the hope that they would often see Mr. Cameron in the course of his new duties and would welcome him as a visitor provided he didn't come back to Regina in his official capacity. Mr. Cameron, while surprised by the presentation, made a very suitable response and spoke of the pleasure it had been for him to work with such a congenial staff.—The Caduceus, staff publication of the Canadian Bank of Commerce.

DEBITS INCREASED; CLEARINGS LOWER

Claimed That Clearings Have Been Giving Erroneous Impression of Business

OTTAWA.—The first annual report on bank debits at the clearing house centres of Canada is now presented. This report shows total bank debits to individual accounts at the clearing house centres of Canada to have been, during the year, $27,839,000,000, as compared with bank clearings of $16,999,000,000. This figure of $27,839,000,000 does fnot include, the transfers o money on the books of these branch banks which are outside of clearing house centres, but it constitutes the largest and best sample ever compiled of the volume and the trend of business in the Dominion. Hereafter, we shall have for each clearing house centre, for each month and for each year, figures which will be strictly comparable as indicating the volume of business done.

When compared with the January level, the monthly average of clearings during 1924 declined 6 per cent. while debits increased 7 per cent. showing the erronous impression conveyed by statistics of bank clearings in determining the trend of business conditions.

For the past quarter of a century statistics of bank clearings have been generally used in Canada to indicate changes in the volume of business done as between different months and different years. The figures of bank clearings, however, only record the volume of inter-bank transactions and in an era of bank amalgamations such as the present century, which has seen the number of banks in Canada reduced from 34 to 13, an ever-decreasing percentage of the total transactions passing through the banks has been shown in the bank clearings. For example, upon the amalgamation of the Molsons Bank with the Bank of Montreal, which became effective on January 20, 1925, all the cheques passing between these banks, which before January 20 had been recorded in the bank clearings, ceased to be so recorded, thus bringing about a decline in bank clearings which was not due to a decline in the volume of business transacted.

In view of the above facts, the Dominion Bureau of Statistics, with the cordial co-operation of the Canadian Bankers' Association, established in 1924 a record of bank debits to individual account at the clearing house centres of Canada, thus securing a total figure for each clearing house centre of all sums of money transferred on the books of the branch banks in that centre and so providing a measure of the volume of business, which will not be vitiated by further amalgamations among our banking institutions.

BANKERS HONOR C. W. ROWLEY

WINNIPEG.—C. W. Rowley, assistant general manager of the Canadian Bank of Commerce, was the guest of honor at a luncheon given by his fellow bankers at the Manitoba Club. While organized through the efforts of the Western subsection of the Canadian Bankers' Association, of which Mr. Rowley is chairman, other senior bankers of Winnipeg were also invited, about forty in all being present. Hedley Marsh, western superintendent of the Bank of Toronto, acted as chairman.

Weekly Bank Clearings

(In comparison with the same week last year.)

EASTERN CITIES	Feb. 7/1924	Feb. 5/1925
Halifax	$ 2,885,298	$ 2,657,779
St. John	3,219,210	2,400,849
Moncton	736,167	725,417
Sherbrooke	874,837	805,003
Quebec	5,634,214	6,099,817
Montreal	132,117,927	108,965,251
Ottawa	6,882,117	6,144,873
Kingston	673,790	690,289
Peterboro'	747,703	737,681
Toronto	168,293,788	96,805,605
Hamilton	5,157,291	4,542,997
Brantford	938,430	658,685
London	2,810,103	2,642,400
Kitchener	1,100,486	832,210
Windsor	2,519,836	2,764,819
Total east	$334,595,197	$237,473,675

WESTERN CITIES	Feb. 7/1924	Feb. 5/1925
Ft. William	$ 984,372	$ 784,585
Winnipeg	45,702,309	49,818,862
Brandon	486,438	579,858
Regina	3,315,868	3,155,457
Moose Jaw	1,185,837	1,235,380
Saskatoon	1,726,630	1,414,562
Pr. Albert	357,693	370,427
Lethbridge	497,005	505,061
Calgary	7,652,470	7,149,921
Edmonton	4,510,116	4,923,711
Medicine Hat	390,426	310,424
N. Westminster	593,497	618,319
Vancouver	15,782,748	14,411,659
Victoria	1,923,606	1,822,514
Total west	$85,109,015	$87,098,680

CANADIAN NATIONAL RAILWAYS
Department of Colonization and Development

A Bureau of Information is conducted in connection with the Canadian National Railways Colonization and Development Department, the extensive facilities of which are at the service of all requiring information concerning

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The Montreal City & District Savings Bank

SEVENTY-EIGHTH ANNUAL REPORT

To the Shareholders,
Gentlemen,

Your Directors have pleasure in presenting the Seventy-eighth Annual Report of the affairs of the Bank and the result of its operations for the year ending December 31st, 1924.

The net profits for the year were $272,056.53, and the balance brought forward from last year's Profit and Loss Account was $216,320.77, making a total of $488,377.30. From this amount have been paid four quarterly dividends to our Shareholders and $8,000.00 has been contributed to various charitable and philanthropic Funds—independently of the amount of $10,200.00, interest on the Charity Donation Fund distributed as usual—leaving a balance at the credit of Profit and Loss Account of $280,567.98, to be carried forward to next year.

As usual a frequent and thorough inspection of the books and assets of the Bank has been made during the year.

The report of the Auditors, and the Balance Sheet are herewith submitted.

R. DANDURAND, President.

STATEMENT

of the affairs of THE MONTREAL CITY and DISTRICT SAVINGS BANK on the 31st December, 1924.

ASSETS

Cash on hand and in chartered banks	$ 8,778,240.56	
Dominion and Provincial Government Bonds	17,763,620.75	
City of Montreal and other Municipal Bonds and Debentures	21,228,130.25	
Bonds of School Municipalities	85,691.39	
Other Bonds and Debentures	1,181,824.00	
Sundry Securities	224,000.00	
Call and Short Loans, secured by Collaterals	5,567,461.51	
Charity Donation Fund, invested in Municipal Securities approved by the Dominion Govt.	180,000.00	
		$55,008,968.46
Bank Premises (Head Office and 16 Branches)	1,170,000.00	
Other Assets	54,821.87	
		1,224,821.87
		$56,233,790.33

LIABILITIES

To the Public:		
Amount due Depositors	$52,256,531.31	
Amount due Receiver-General	93,341.86	
Amount due Charity Donation Fund	180,000.00	
Amount due Open Accounts	324,779.18	
		$52,854,652.35
To the Shareholders:		
Capital Stock (Amount subscribed $2,000,000) paid-up	$ 1,489,570.00	
Reserve Fund	1,600,000.00	
Profit and Loss Account	280,567.98	
		$3,379,137.98
		$56,233,790.33

On behalf of the Board,
R. DANDURAND, President.

A. P. LESPERANCE,
General Manager

AUDITORS' REPORT

Having obtained all the information and explanations we have required, and having satisfied ourselves of the correctness of the Cash Balances, and examined the Securities held against the Money at Call and Short Notice, and those representing the investments of the Bank, and having examined the foregoing Balance Sheet and compared it with the Books at the Head Office, and with the Certified returns from the Branches, we are of opinion that the transactions of the Bank have been within its powers, and that the balance sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs as shown by the Books of the Bank.

A. CINQ-MARS, C.A.
C. A. SHANNON, L.I.A.
Auditors.

Montreal, February 5th, 1925.

Head Office,
TORONTO

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO, FEBRUARY 13, 1925

THE WYER REPORT

REPORTING for the Smithsonian Institution, Samuel S. Wyer, Associate in Mineral Technology, U. S. National Museum, in dealing with the Ontario Hydro Electric Commission's development, offers the criticism that the financing has been unsound in respect to sinking funds, and that—on the basis of figures secured from reports of the Hydro auditor—and the provincial auditor—there is now a deficit of over $19,000,000. In a word, he says that this amount must be paid by the taxpayers of Ontario generally, at some time, because the users of Hydro power have been served at less than actual cost. Also, he points out that the Hydro has contributed little in the way of taxation and has not paid anything for the use of the waterpowers which are the property of all the people of the province.

From the nature of this report, it would seem that the way is being paved for a new international arrangement at Niagara. Therefore, the effort to show that power development on this side of the border has not been on a sound basis would not seem to be for the purpose of helping Canada in any new deal. The unfortunate feature of the whole matter is that what Mr. Wyer points out in a clear, dispassionate analysis of the situation is not news to investment bankers and business men who have looked into the Hydro financing. Ontario's sinking funds are lamentably short, and the shortage is generally attributed to Hydro account.

Sir Adam Beck has replied to the Wyer report with his usual bombast. He ignores the facts of the situation and talks in vague generalities. He exclaims 'puerile superficiality," and "unfriendly act," but he does not present any clear, concise statement of the Hydro's investments, showing sinking funds, etc. He fails to adopt the simple expedient of presenting such a statement as would any private corporation in seeking the funds of the investing public.

This is not a question of public ownership or private ownership. The people of Ontario own the Hydro. It is then a question of having this vast business undertaking managed in a sound manner so that it will pay its way and not pile up liabilities against the credit of the province which must finally increase the load of taxation on the shoulders of the people.

MANITOBA'S GOOD MOVE

THE Province of Manitoba has taken a very important and creditable forward step in the publication of municipal statistics. The comprehensive report on the standing of the municipalities at the end of 1924 is a vast improvement on previous reports. Much criticism has been directed, in the past, against certain of the Canadian provinces and municipalities for the lack of complete and accessible statistical information on their financial standing, and the criticism was very richly deserved in many instances. In this respect, Manitoba came in for her proper share of adverse comment.

While the new statistical report on the municipalities is vastly better than what has been published in the past, there are certain items which would add much to the value of these statements. There is no account, for example, of the revenue and expenditure of the year, and one is at a loss to know whether there has been a deficit or a surplus. Furthermore, there is no statement of the position of sinking funds, information which is very desirable. Other significant items such as the amount of bonds guaranteed, the proportion between the ratepayers share and the municipalities share of local improvements, the amount of the previous year's tax levy, and the amount of same uncollected, and more concise information on the position of the utilities, would add vitally to the value of the report. At the same time, a step decidedly in the right direction has been taken, and Manitoba's lead is very well worth imitation.

THE INSOLENT MINORITY

SIR HERBERT HOLT, Hubert Biermans, the Canadian Pulp and Paper Association, Frank J. D. Barnjum, Arthur Meighen, and the editors of hundreds of Canadian newspapers, including the Montreal Star, the Halifax Herald, the Toronto Mail and Empire, etc., have the word of Senator George H. Moses, of New Hampshire, that they and the other advocates of the pulpwood embargo form "a noisy, aggressive and insolent minority, motivated by self-interest."

Senator Moses, very fortunately, is not representative of most of the citizens of the United States. If he were, one would not put much faith in his description of his country as "a great-hearted friend who wishes none but good for Canada."

WILL THERE BE AN ELECTION?

THE question is being asked on every hand: Will there be a general election this year? To this there can only be one answer: Wait and see. All that one can do is to express an opinion on the probability or improbability of it.

There is nothing in the report that a near general election is improbable because the average member does not want one. What he thinks on the subject is of very little account. The average member rarely does want an election. Why should he? When it is put up to him, he wants to know why he should be asked to fight one before it is absolutely necessary.

As an indication of how little the average member has to do with a decision of this kind, one need point only to the last general election. It is no secret that the private followers of the government did not want a general election when it was called, and they did their best to head it off; but they could do nothing. The decision in such a matter has to be taken by the Prime Minister. Where he gets his advice is sometimes a mystery, but he certainly does not take a poll of his followers in the House.

BOLSHEVISM IS NOT DEAD

THERE are undoubtedly a great many people who never accepted the Communistic menace as anything more than a bogey, and a great many others who are inclined to the opinion that whatever danger there may have been has now spent itself. Those of this opinion would, however, find themselves in marked disagreement with Richard Washburn Child, a prominent figure in the diplomatic service of the United States, and former ambassador to Italy. In an article on Bolshevism in the Saturday Evening Post, Mr. Child opens with the grave observation that: "The shadow of Bolshevism still falls aslant the sunlight of almost every country in Europe and Asia."

Mr. Child sees little difference, in the last analysis, between the aggressive Communists and the more timid Socialists; there is no difference in the object—only in the method. He says:

> Moderates—evolutionary socialists, as they are called—have taken me to task for failing to discriminate property between them and the communists. I discriminate, but the differences between them are mainly differences in terms of method. One may wish to sink the old ships of individualism, industry and constitutional states by blowing their bottoms out; the other by boring intellectual auger holes. What is vital in each case is the proposal to sink the old ships. What is vital is the presentation by an organized minority of the proposal to scrap the fleet.

Further, Mr. Child makes the point that, having failed to achieve their purpose in Russia, the Bolshevist leaders are sowing the seeds of their propaganda in other countries—laying cuckoo's eggs to be hatched out by others. They are creating a psychological background for a larger campaign and in their own words: "Bolshevism now looks forward to world revolution for its triumph."

And so those who regard the Bolshevist movement with complacency because of the failure in Russia should not overlook that milder movements being tolerated in our own midst may develop into a serious menace when carried on by clever propagandists who frequently succeed in getting the co-operation of people of influence and good standing to aid them—often innocently—in their campaign.

IF Canada imposes an export tax on pulpwood she will be doing something the United States cannot do. When the United States constitution was drawn up, the Southern states were afraid that the Northern states might at some time interfere with their exports of cotton and tobacco, and they had a clause inserted in the constitution making it impossible for the United States ever to impose an export duty.

* * *

A KEEN observer of conditions in the United States says that the farmer is now resorting to perspiration rather than politics to solve his problems. For some months now THE FINANCIAL POST has been reporting this change of attitude in Canada, and particularly in the West where just recently a Regina farmer convention laughed to death a resolution calling for a general moratorium.

Canada's Great Steel Salesman Now After Bigger Car Orders

Wilson W. Butler, Ohio Farm Boy, Has Sold Millions of Dollars' Worth of Goods—Closed One Order for $85,000,000—He Heads Canadian Car and Foundry Company

By FLOYD S. CHALMERS.

When the shareholders of a company, in annual meeting assembled, will go out of their way to pass a resolution speaking their tribute to the services of their president in guiding the company's affairs, one must assess his as more than ordinary abilities. That is what happened at the last annual meeting of Canadian Car and Foundry Company when the shareholders said that about Wilson W. Butler, the head of their company. One of the shareholders remarked in a neat little speech, the company has at its head a man who is not only a good car builder but a good salesman as well. He personally gets most of the car orders for the company and, that being so, his sales for the past ten or fifteen years have probably totalled higher than those of any other salesman in the Dominion of Canada.

Mr. Butler has been a salesman longer than he has been a car builder. He sold groceries in a cross roads' store at 16. Since then he has sold railway cars to the big Canadian lines; mine sweepers to the government of France; shells to Imperial Russia and munitions of one kind and another to Great Britain and the United States. He closed one order for $85,000,000 and had to go through hurricane and ice by tramp steamer and sleigh to get it.

WILSON W. BUTLER.

Came From an Ohio Farm

Mr. Butler is an American by birth. He is one of numerous natives of the United States who have given their lives to the erection of a strong industrial structure in Canada. He was born on a farm near Danville, Ohio, during the Civil War. It was a matchless farm in the most charming rolling hills in the state; a fine recess for leading the peaceful life but with little appeal to an ambitious youth. Incidentally, there was a little railroad running along beside the farm and the superintendent of that railway was one Henry Thornton, who became, in time, chairman of the Canadian National Railways and who now buys from the boy who was born on that farm.

It was a preacher of mercantilistic leanings who took young Butler off the farm. The preacher owned a half interest in a corner store; he needed a new clerk and after looking around among his congregation he singled out Butler for the job. And thus it was that, at 16, Butler was rising at four o'clock each morning to clean and sweep the store and to light the fire in the heater. He was paid $8,33 a month for his work plus his "keep"—board, room and washing.

Ten months after Butler took the job the store was sold and the boy was out of a job. But he had won an influential friend to his cause, although he did not know it. A prosperous farmer in the district told a friend of his, a dry goods merchant at the town of Delaware, about Butler; soon a telegram came, offering him another clerkship. After some time in this store he received another offer to go to Cincinnati to work as "counter jumper" in a combination wholesale and retail dry goods establishment.

He Attracted Attention

The reader will have observed by this time that Mr. Butler had a manifest faculty for attracting attention; that instead of going out job-hunting he found himself being asked to accept new and better positions. This will be noticed in the later phases of his career.

"No young man need feel that he is going to work hard in vain in his particular job," said Mr. Butler. "It does not require brilliance to win success. Any man of just average ability can go as far as he likes if he will but be ambitious and apply himself to his work. He must work hard and strive for the most and he will advance himself. Business men are always looking for a man who is ready to work and they want this quality of diligence more than brilliance."

Mr. Butler, it may be said right here, had a great reputation as a salesman in his early days. Yet he was not one of the high pressure or whirlwind type; he was merely a steady, consistent worker.

We have gotten off our story a bit. After his experience in the dry goods business, Mr. Butler was offered a position with a railway supply firm in Chicago. This further made him known and one day he received a wire from the president of the American Car and Foundry Company, offering him a position as western sales agent.

After some years of association with this company, and the Simplex Railway Appliance Company in New York, and the American Steel Foundries, he came to Canada on behalf of a group representing the American Steel Foundries. He looked over the Canadian field, and opened a Canadian business for his group. At the same time his attention was attracted to the opportunity for the establishment of a car building plant in Canada. Various railway officials gave him encouragement and his friends in the United States agreed to give financial support. He decided to build the plant. Mr. Butler has been a Canadian and a car-builder ever since.

Pioneer in Making Steel Cars

The company he organized was the Dominion Steel Car Company. An extensive plant was built on the outskirts of Montreal. It is now the Dominion plant of the Canadian Car and Foundry Company.

Steel cars were then in their infancy. They were being sold in the United States against the powerful assaults of the wooden car builders who feared the new developement and its possible effects on their business. Butler built the first steel car ever built in Canada. He found Canadian car builders equally strong in their defence and in the long drawn out fight that ensued before the steel car was established the company had a difficult financial struggle. There were red ink figures for many years, but finally Butler and his company won out and the hazardous venture produced a prosperous company. In time it was merged with its former fierce antagonists in the Canadian Car and Foundry Company, the company of which Mr. Butler is now head. For a number of years he was vice-president, but a few years ago became president.

It is a bit of unwritten history that Mr. Butler was the man who conceived the merger of the leading car building companies of Canada. He suggested it to his co-director, Senator Nathaniel Curry and between them they worked out preliminary details. Then it was seen that a man of financial and organization genius was needed to bring the conflicting interests into harmonious relationship. The rising young mergerist extraordinary of the day was called in and he in turn called in other support. That is why Max Aitken and E. R. Wood finally closed the deal.

Was the Merger a Success?

There is seldom a rule to apply to tell definitely whether or not a merger has been successful. Canadian Car and Foundry has had years of feast and years of famine. It is always that way in the car business. But well-informed observers are of the opinion that the profits of the enterprise have been greater than the combined profits of the individual companies could have been if operating independently.

The company is called the most self-contained car-building plant in the world and has a capacity of 30,000 cars a year for which it manufactures practically all the component parts and accessories. Since its organization it has built over 80,000 cars or over three-fifths of all the cars built in Canada in that period. Its total sales have amounted to something like $300.000 000 in the years since the organization in 1909.

When the war broke out, Mr. Butler saw the disruption of the ordinary source of orders for his company. He saw, too, that the war would open up a greater source of orders. He sought for orders and found them elusive. The British government paid no attention to his offer of 5.000.000 shells, made in January, 1915. It was then that he decided to go to Europe to sell the services of the Canadian Car and Foundry Company to one of the European governments. He went to Russia via England. It was early in 1915 when he and a fellow director got aboard a Norwegian fishing boat at Newcastle and began a perilous voyage across the North sea to Bergen in Norway. Theis vessel was little more than a glorified tug, swung into position of war-time importance. Mines had not become as serious a problem as later on in the war, but nature provided plenty of excitement by stirring up a hurricane. From Bergen the two salesmen went to Stockholm. Crossing the Baltic to Russia was out of the question. They went by train to a spot within sight of the Arctic circle. This was Kurungi, the furthest north point served by railway.

Far North Motion Pictures

At Kurungi they were to transfer to the Russian railway but it turned out that Kurungi in Sweden and Kurungi in Finland were three miles apart, with an ice bridge between. Mr. Butler and his fellow director had to cross the ice in a droshky from [illegible] station to another and during [illegible] hours they had to wait for accommodation they whiled away the time at the local movie. This consisted of a tent set out on the icy ground, with saw-dust thrown in as a floor. Bundled in furs, they shivered through the "Perils of Pauline" while a gasoline engine outside, set up to provide power and light for the motion picture machine, chugged out the only musical setting.

Finally, Petrograd was reached. Mr. Butler saw the Ministry of War and the head of the artillery; got out his order book and signed a contract for five million shells. When he landed back in New York, in the summer of 1915, with his $85,000,000 order in his pocket, he astounded Canadian and American manufacturers who had been figuring out what the war might mean for them in the way of business.

Getting the order was only the start. There were five million three-inch shells to be manufactured and sent to Russia. By November, 1915, an entire new factory had been put into operation in what had been a mosquito-swamp in New Jersey. Several thousand workmen were busy assembling shell parts, that were coming from a hundred manufacturing concerns all over Canada and the United States, who had received orders for shells, cartridges, detonators, fuses, TNT boxes, etc.

This plant was later blown to atoms, probably by German spies. This prevented the company from making expected profits but the order was not unprofitable.

Other war orders were secured by Mr. Butler for his company, including a very interesting order for trawlers for the French government. These were made at Fort William, at the company's plant, and went out to do duty as mine sweepers.

Getting Orders To-day

The after-war period has again brought dislocation in business and again Mr. Butler is meeting the situation by going out after orders. This time his two chief customers are the Canadian National Railways and the Canadian Pacific Railway.

In 1921, when business was slack, Mr. Butler went to Germany and took a car order away from German manufacturers. It was from Russia. The company and Canada made money on the order.

Mr. Butler has two hobbies. One is fishing. He fishes anywhere and everywhere where the sport is good and the fish are game. He fishes in Florida, California and Northern Canada. In his office is a beautifully mounted tarpon; outside is a striking example of a sail fish.

His fishing habits were developed when he was young. In the Lima (Ohio) Gazette of May 9, 1889, appeared this personal item:

> "Harley Porter, Dick Hughes, W. W. Butler, Harry Davis and Harry Frederick were in Celina yesterday fishing."

His second hobby is making friends. The walls of his office are covered with scores of autographed photographs of his good friends. He has them there because he likes "to live with his friends." These friends know Mr. Butler as "Ben."

There is a story in that nickname. When Mr. Butler was a boy the exploits of the famous General "Ben" Butler were running through the land. The nickname was transferred to young Wilson Butler. The original General Butler had another nickname; he was called "Spoon" Butler, not so euphonious or attractive a nickname. Any youngster who called Wilson Butler "Ben" got by with it; any youngster who called him "Spoon" had to take off his coat. He was a fighter then; he is just as much a fighter to-day when he gets started.

Preparing for Action at Ottawa

From Our Own Correspondent

OTTAWA.—The members of parliament have arrived here in a somewhat different mood from that in which they did a year ago. The demonstration staged by the government side when C. E. Hanna, of West Hastings, was introduced, was an evidence of this. It was the best show they have put on for many a day. It showed that the morale on that side of the legislature is high.

It appears to be distinctly better than it was at the 1924 opening. The defeats in Halifax and Kent, N. B., had taken the starch out of many of the government's supporters, and troubles over the tariff were looming up. After all the loss of revenue and yawning deficits do not affect politicians nearly as much as the loss of seats. The former can usually be laid on the other side; at least a plausible effort can always be made. But with a defeat it is different. It hurts.

Having lost West Hastings, the Conservatives are not quite as cocky as they were a year ago, but they are in good fettle all the same. While they have not made gains in the country since last session, they have a feeling that things are coming their way all the same. They also are convinced that Mr. Meighen's statement on national policy will help them, in that it will give them something positive to talk about.

The Progressives hardly seem to know where they are at yet. They do not feel quite as good as they did after last year's speech from the throne was read. This year's contains no promises of tariff reductions, which to them is always a sweet morsel. The absence of this causes some to have misgivings. Others profess to find in the promises about the equalization of railway rates and the breaking of the North Atlantic monopoly compensating material. The decision of the government to ask for a conference with the provinces, instead of bringing in a bill right away to clip the Senate's wings, has disappointed some.

There are two well-defined wings among the Progressives. One would go slow and play a canny game. The other is for action, for more action, and still more action. It will be hard for the canny ones to hold the latter in check. Some of the Ginger Group are afraid of being called camouflaged Grits, and so they are disposed to be critical.

Westerners Optimistic

Of all the members the most optimistic, generally, seem to be those from the prairies. Not all of the latter are prospering through the high wheat prices, for some of them did not get much wheat. But taking a wide view of the situation the average Westerner sees a much wider silver lining on the clouds than he did a year ago. At the same time some parts of Southern Alberta are evidently in very bad shape.

From what has happened during the last year the impression sinks in that Nature has done more for the prairie provinces during the last six months than all the years of tariff agitation. The latter may help at times, but there is nothing like $2 wheat to bring back prosperity.

FLAT DUTY RATE WOULD NOT HELP IMPROVE TARIFF

(Continued from page 3)

which must be imported, consequently, many instances would occur of higher rates of duty applying to raw materials than would apply to the finished product if the preference was maintained.

The theory that the only protection needed is that on labor is sound as far as it goes but, if a tariff of this kind applied on all plant equipment, it would have its effect on costs of construction and, therefore, protection would be needed so far as the fixed investment is concerned. This investment might be very heavy in relation to the turnover, so that, if there was any substantial increase in the cost of construction it would constitute a handicap which would have to be taken into consideration. Naturally this would depend upon the average rate of duty established.

Tariff For Revenue

In respect to the matter of revenue produced, it is quite impossible to erect an exact mathematical calculation based on the use of an empirical rate of duty as applied to total imports. Such a rate as that referred to would effect all manner of changes in the source and movement of raw materials, let alone the many damaging results which would be caused to the production of finished products, to an extent as would put the calculations, without infinite study, into the realm of absolute guesswork.

In discussing the subject of tariff as related to revenue, it is pertinent to remark that a general misconception appears to exist as regards the meaning of the expression loosely used as "A Tariff for Revenue." This idea has its origin in a fiscal policy which intends to provide revenue by the imposition of duties on commodities which must be imported, such as tea, sugar, coffee, etc.

On the other hand, the tariff is, of course, a producer of revenue and, therefore, must always remain a fiscal policy within the control of parliament, and the revenue derived will vary in respect to changes in volume of trade or having regard to whether the rate of duty encourages or discourages importations.

"A tariff for revenue" is merely an adjunct to an ostensible policy of free trade and is, more or less, in the same category as an excise tax. This is a distinction which is frequently lost sight of.

Being "Sucker Nation" Canada Will Take U.S. Bluff Seriously

The phrase, "Canada: The Sucker Nation of All History," coined by a correspondent of THE FINANCIAL POST in connection with the question of a pulpwood embargo, has taken quite a hold, being quoted quite freely by writers in advocating the imposition of an embargo on pulpwood. A writer signing himself, "A Canadian but Not a Sucker," in a letter to the Mail and Empire, Toronto, quoted five instances in which he considered we are proving ourselves to be a "sucker nation." His strong points related to pulp and power, the other three being coal, national railways and coinage. In regard to the first two, he said:

1. Pulp. We let over $10,000,000 worth of pulp wood leave Canada annually for the United States, which ought to be made into $50,000,000 worth of Canadian paper by Canadian workmen. And the National Publishers' Association of the United States recently had the nerve to whimper about the proposed embargo on Canadian pulp wood as threatening to be a "serious interruption in the friendly relations between Canada and the United States!" Can you beat that, coming from a country that has always built hostile tariff walls against Canada since Confederation? Being a "sucker nation," we shall probably take this United States bluff seriously.

2. Power. We export our hydro-electric power to the United States instead of keeping it for Canadian industry, and we are actually seriously considering a plan to let the United States grab our St. Lawrence hydro-electric power resources under the flimsy pretext of an "international deep waterway" system! A fat chance Canada's 10,000,000 people will have in a partnership with the United States 110,000,000 people! (The Chicago drainage canal steal, for example). We all know the record of the United States as a nation of treaty-breakers.

Lost—A Loving Cup

Stratford Beacon-Herald

Somewhere in Quebec there is a giant loving cup which cost more than $200 and has only been used once. The cup is the mute record of a Bonne Entente organization which did not do what was promised when it was passed around with vast enthusiasm at a great banquet in Sherbrooke on the eleventh of October, 1916. The cup was the gift of Ontario to Quebec. But nobody seems to know where the symbol of so much hope is, and nobody asked for it when Ontario and Quebec were Bonne Ententing under the aegis of the Lieutenant-Governors and Premiers of the two provinces. The failure of a first Bonne Entente is the most striking exemplification of the need of a successful second; and everybody hopes that in good time last week's remarkable hospitalities in Quebec and Montreal will lead to the discovery of the lost cup. If at first you don't succeed......

Keep a Record of Your Securities

For the convenience of those desiring to keep a record of their securities we have prepared a simple, concise and convenient SECURITY RECORD form for entering the name of the securities, date of purchase, amount, purchase price, annual income, time of interest or dividend payment, maturity, etc. Such a record is almost indispensable to security holders.

See that your holdings are all properly entered, or your list brought up to date. Go over your securities carefully. There may be some maturing at an early date which could, with considerable profit, be exchanged for long term securities. In this connection we shall be glad to make suggestions.

Copy of the SECURITY RECORD form will be gladly sent on request.

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Investors' Inquiries

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

C. P. R.'s SHAREHOLDERS

H. B., New Brunswick. — Would you kindly inform me if the majority of stock of C. P. R. is held by English or U. S. financial interests?

According to the last annual statement of the Canadian Pacific Railway the position of the holdings of the common stock of the company as at February 1, 1924, was as follows:

United Kingdom	50.73%
Canada	21.14%
United States	20.69%
France	2.95%
Other holdings	4.49%

TWIN CITY COMMON

Reader, Ontario. — Would you advise the purchase of Twin City common?

Twin City common has interesting possibilities at the present market, because of the probability of the dividend being raised from 4 per cent. to 6 per cent. This, however, depends upon the award of the courts regarding the valuation of the company's properties being favorable to the company. The opinion of interests close to the organization is that the award will be quite favorable. Under the circumstances the stock is speculative and for the Canadian investor has two weaknesses; first, that it is the security of an American company, and the Canadian investor will find it difficult to keep closely in touch with its affairs; and, secondly, that the stock has not been well sponsored lately by sound brokerage interests with the result that its movements on the stock exchange are inclined to be erratic.

WILLIAM DAVIES BONDS

Inquirer, Waterloo, Ont. — Would be pleased to have your view as to the security of investment in the William Davies Co., 6% bonds, due Nov. 1, 1942.

Although the William Davies Co. was hard hit by post-war conditions, in common with packing concerns generally, we believe that with the improvement which has taken place in the situation, the position of the bondholders is quite well secured. During the war the company built up a big export business, but because of the unsettled financial situation in Europe this market has since been very largely cut off. Now, however, there is a considerable improvement, particularly in the case of Great Britain with the pound sterling approaching par in terms of Canadian dollars.

The company is soundly organized and well managed and we believe during the period of depression has put its affairs into such shape as to secure the benefits of the new improved conditions.

RADIO AND THE TELEPHONE

A. C., Victoria.—In the event of radio being further developed, would it affect telephone companies? I am a stockholder in an eastern telephone company.

We do not think you have occasion to feel alarm at present as to the developments of the radio—great as they have been—in relation to telephone service. While some of the bigger telephone companies with manufacturing facilities have been taking advantage of the new invention so far as marketing parts is concerned, there is little indication that the radio will supplant the telephone in a commercial way. It has commercial possibilities but we feel that they are additional to what the telephone will be asked to provide.

For instance, with the expansion of business and the demand for time saving facilities, we have seen the telegraph service grow and expand at the same time that the telephone has grown and expanded—and there was a time when there was an idea that the telephone would supplant the telegraph. Again, in the field of light and heat those who feared that electricity would supplant gas have found their fears groundless.

Therefore, our feeling is that great as the facilities of the radio are, the requirements of business are such that there will be a still growing field for the telephone as well, particularly where the companies are well managed and the managements take advantage of any opportunities which may be open to them in the new field.

Our opinion is that the private telephone companies have more to fear from over-enthusiastic public-ownership propagandists and political interference with fair rates than from the radio.

CANADA STEAMSHIPS

W. M., Ontario. — I purchased 50 shares Canada Steamships preferred at 57¼ through a brokerage firm of good reputation, who strongly recommended same, but it has since dropped 10 points. I purchased it on the margin, on the strength of dividends being soon resumed. Do you think there is much hope of this within a few months, or would you advise me to sell and take my loss, by purchasing some other stock in which an advance is expected and thus make up some of my loss?

The last two months of Canada Steamships' 1924 fiscal year were less prosperous than originally anticipated, and this together with the natural reaction in the stock that comes during the winter months when the company's boats are tied up and earning power is practically nil, has tended to cause an important decline in the market price. We do not think that this should be a real factor to deter the investor from purchasing the stock or to cause concern to present shareholders. If Canada Steamships was a good buy at 57¼ last fall, it is decidedly a much better buy at the present market.

There is no assurance, of course, of the 4 per cent. dividend on the preferred stock which was discussed last fall. But gradual and steady improvement is taking place in the company's affairs, and this should indicate itself in the market in time.

We do not attempt to give advice in regard to speculative trading, but you may be able to adopt this advice, which is what we would say to the serious investor, to your own needs.

FOR AN INVESTMENT

Subscriber, Lethbridge.—I have about $3,000 to invest. I am holding at present the following: Alberta government bonds, Victory bonds, Wayagamack bonds, Can. Steel preferred, Canada Bread preferred, C.P.R. common, Brazilian common, and Standard Bank. Are there any of the above I should sell? Have been buying them since 1921. Should I buy any of the following: Canadian Cottons, Canadian Car, Montreal Light & Power, Brazilian Traction, C.P.R., or is there any other you can recommended?

All of the securities that you are at present holding may be regarded as satisfactory investments and several of them offer interesting possibilities for appreciation in value.

Canadian Cottons is sharing in the present improvement in the cotton textile industry in Canada. The shares have not had a substantial rise recently, and have not yet lined up with the other cotton textile stocks. At around the present market they seem to us to be a good buy.

Canadian Car and Foundry common is attracting attention because of the possibilities of the dividend being established very soon. It depends upon the receipt of more orders from the railways for cars. These orders are likely to come in fair volume during the current year, as railway equipment in this country has not been maintained at the normal high standard. The preferred also gives a good yield, and is now on a dividend basis, which it is hoped can be indefinitely maintained.

Montreal Light and Power is gradually recovering the ground it lost in the slump of a couple of months ago, when a campaign was initiated against the company by local newspapers and politicians. This campaign in no way affected the security and earning power of the stock. This is a remarkable security, and a few shares are never out of place in the strong box of any investor.

Brazilian Traction. The prospects for the company are such that the stock offers every prospect of steady rise to better levels.

Considering the nature of your business as a clothing merchant, you might be interested in Canadian Converters, which offers a good yield. The company is engaged in the manufacture of shirts and collars among other commodities.

BONDS FOR PROFESSIONAL MAN

Reader, Owen Sound. — A client of mine has $5,000 Howard Smith seven per cent. bonds due 1941, and $5,000 of another paper company's bonds, and would like your opinion as to the purchase at the present market of an additional $4,000. Or would you recommend, say, seven per cent. refunding King Edward Hotel bonds due 1944 at about 95? My client is a professional man with an income of probably $4,000 per year and he has now $20,000 to $25,000 bonds.

It would seem that if your client already has $5,000 of Howard Smith 7 per cent. bonds, due 1941, in addition to $5,000 of bonds of another paper company, that he has a large enough holding of such securities and should seek diversity by finding bonds of another type.

Obviously he is looking for a higher than ordinary yield, which has its distinct disadvantages in weakening the security that can be obtained. However, the King Edward Hotel refunding issue is very well secured and might fill the niche. Most of the higher grade industrial and public utility bonds have gotten down to around a 6 per cent. basis, some yielding a little lower and some higher than that.

PORT HOPE SANITARY

A. B., Sherbrooke.—I would like your opinion of Port Hope Sanitary common as an investment, and its present price.

We would hardly regard Port Hope Sanitary stock in the investment class at the present time. In 1921 the company earned 2 per cent. on the common shares, in 1922 2.84 per cent. and in 1923 2.42 per cent. In 1922 the company paid a dividend of $6 per share on the common stock. However, there are very interesting speculative features about these shares. During the year 1923 the company redeemed $156,000 of its outstanding preferred stock, reducing the total in the hands of the public to $300,000. This has materially improved the position of the common shares and they will be made so much better by further reductions of this stock, which, it is understood, the company intends to carry out, to be paid out of earnings. The company has a good product and has always been able to get a very good share of the available business when building has been good. The range of the stock for some time has been around $49 and $50, but of late it has shown an appreciation in the rising market, moving up to $53 for the last sale, with the stock offering at $59.

Valuable Suggestions on How to Invest $4,000 in the Mines

Inquiry Addressed to THE FINANCIAL POST Brings Substantial Review of Leading Mining Shares From Various Mining Brokers.

"I have $4,000 to invest in mines of Northern Ontario. Kindly advise through your paper what you think are the best mines to invest this money in."

The above inquiry was recently received by THE FINANCIAL POST from one of its readers. The inquiry was submitted to a number of mining brokers in Toronto and Montreal and the following are the replies that were received:

Balfour, White & Co., Montreal.—We are more in favor of the silvers than the golds, at the present time; and we would personally be inclined to recommend to your enquirer that he split his $4,000 into three classes:

1. High-class dividend paying.
2. Producing satisfactorily but not yet on a dividend basis.
3. A partially developed, well-managed prospect that is not yet producing.

Our recommendations would, therefore, be:

$2,000 into Keeley silver, paying, as it does, 12 per cent. semi-annually. To-day's price, 2.14 to 2.15.

$1,000 into Castle Trethewey, which should have a sharp rise during the next six months or so and go on a dividend basis. To-day's price, 73½c. to 74½c.

$1,000 into Coleroy Gowganda Mines, Ltd., which is now through the overlying Keewatin in the Gowganda Basin and fifty feet into the diabase, and which has started cross-cutting on three veins. The president of this company is J. A. McAndrew, K.C., of Toronto, and the manager, John W. Shaw, Gowganda. We are the fiscal agents.

J. T. Eastwood, Toronto.—I would advise the following stocks:

50 shares of McIntyre, approximate cost $850, to yield 6 per cent.
50 shares of Hollinger, approximate cost $750, to yield 4.33 per cent.
50 shares of Dome Mines, approximate cost $800, to yield 12½ per cent.
200 shares of Lake Shore, approximate cost $1,000, to yield 4 per cent.
200 shares of W. Hargreaves, approximate cost $850, to yield 4.65 per cent.

This would give an approximate yield on the investment of 6.15 per cent. with the likelihood of a good increase in dividends within the next few years, also appreciation in value of the above mentioned stocks.

Forrest, Johnstone & Co., Toronto.—We would suggest placing half the amount in solid, dividend-paying stocks, such as Hollinger, McIntyre, Dome, Keeley and Lake Shore, etc.; 25 per cent. in semi-speculative stocks, such as Castle Trethewey and Crown Reserve, and the balance in stocks that are quite speculative, but have a chance of making good, such as Kirkland Lake, Beaver, Lorrain Consolidated, etc.

Homer L. Gibson & Co., Toronto.—It has been, and is, our policy to advise our clients to divide any sum they are prepared to invest in mining securities into four parts; with two of these parts, representing approximately one-half of the whole, to purchase shares in one or more of the dividend paying companies; with another part to purchase stock in companies which are producing profitably and are approaching the dividend paying stage; and the last part, or about one-quarter of the whole, to be used in purchasing shares of companies whose properties are still in the prospect class.

In the first list are included Dome, Hollinger, Lake Shore, McIntyre and Wright-Hargreaves, in the gold list; and Keeley and Nipissing, in the silvers. All of these companies have passed the stage of doubt, and can be expected to earn and pay substantial profits to their shareholders for some years to come.

The second list includes Castle Trethewey, and Mining Corporation of Canada, in the silvers; and Teck-Hughes and Vipond in the golds. All of these companies are producing profitably, and all can be expected to begin dividend payments within a reasonable time.

The speculative list includes Beaver, Canadian Lorrain, Capitol, Clifton Consolidated, Lorrain Consolidated and Trethewey in the silvers; and Argonaut, Consolidated West Dome Lake, Crown Reserve, Goldale, Keora, Kirkland Lake, Newray, Night Hawk Peninsular, and Tough-Oakes Burnside in the golds. While this latter list is speculative, they all have a reasonable foundation of value by reason of the fact that the companies are properly financed to carry on the further development which is needed to prove the possibilities of their properties.

A. E. Moysey & Co., Toronto.—As to our choice of mining stocks wherein best to invest $4,000, we submit the following:

*100 shares McIntyre	$1,700
*250 shares Keeley	550
500 shares Vipond Consolidated	665
*250 shares Teck-Hughes	335
1500 shares Crown Reserve	750
Total	$4,000

* Dividend paying company.

The above amount so invested shows a return of $160, or at the rate of 4 per cent. per annum, at the same time the buyer holds a stock-ownership in two producing gold mines which are expected to be the next additions to the regular dividend paying list, to wit: Vipond Consolidated and Teck-Hughes.

While Crown Reserve can as yet only be viewed as a speculation, inasmuch as mine development under direction of recognized brainy engineers is reliably reported to be meeting with satisfactory results, this stock appears one of the most promising in this class of securities. Already a substantial tonnage of "pay" ore has been put into sight at the Crown Reserve property and gold content increasing as greater depth is reached.

Providing the investor desires to confine his purchases to high-class dividend-paying companies, he can obtain an annual yield in excess of 10 per cent. by investing in Keeley Silver around current prices but, by so doing, the profit-making possibilities on his capital are greatly limited as against the other plan. Dome Mines also shows an annual yield of 12½ per cent. but the same limitations are evident.

F. G. Oke & Co., Toronto.—We do not think a person can make any mistake in investing in any of the dividend-paying stocks as each one appears to have a long and prosperous future, with really no limit in sight at the present time as to what their earnings and future dividend disbursements will be. We would, however, choose them in the following order:

Hollinger, McIntyre, Lake Shore, Wright-Hargreaves, Nipissing, Keeley and Dome.

We would also put a portion of the investment in one or more of the following, and also in the order named:

Vipond, Teck-Hughes, Castle-Trethewey, Lorrain Trout Lake, Crown Reserve and Newray.

We would then use a small portion of the investment for an outright gamble in such promising working companies as Clifton, Lakeside and Lorrain Consolidated. The last three because of their possibility of striking silver and the stock thereby becoming intrinsically more valuable, such as happened with many of the old Cobalt companies.

N. C. Urquhart & Co., Toronto.—As to the best way to invest $4,000 in the mines of Northern Ontario our suggestions would be: 100 McIntyre, 100 Dome, 100 Wright-Hargreaves and 100 Lake Shore. We think that there are a number of speculative investments in the lower-priced stocks but for straight investment we would recommend the above.

Kiely and Smith, Toronto.—We would spread an investment such as this over three issues: namely, Vipond Consolidated Mines Limited, Lake Shore Mines Limited, and Dome Mines Limited.

Vipond Consolidated, while not in the dividend paying class, is an issue we believe will soon reach the dividend stage and the development of the property fully justifies this opinion. Monthly production amounts to about $50,000, resulting in a net profit of a little over $20,000 per month. These earnings show a net earning power equal to 12 per cent. on the company's issued capital. Some time ago the ore reserves of the mine were estimated to have a value of well over $3,000,000, and the coming annual report should show a substantial increase over that mentioned.

Lake Shore: This company is now on a regular dividend basis of 20 per cent. per annum with the possibility that bonuses equal to the annual dividend will be paid during the year. The earnings of the company during the present year are estimated to equal the issued capital; namely $2,000,000. Of these earnings at least 50 per cent. should result in net profit and allow of a substantial amount being placed to reserve after taking care of the dividend and bonuses mentioned. The mine is reported in excellent condition, and indications are that substantial production will continue for many years to come.

Dome Mines is in the dividend class, this company paying quarterly dividends amounting to 50c. per share, or $2.00 per annum. We are of the opinion that the shares of this company will experience a substantial advance in price when official information is issued regarding the development of the mine and the plans for the future. The company is in a strong financial position and the mine gives promise of steady production for many years to come.

There are other investments, such as Hollinger and McIntyre, that might be considered equally as good as any of the three we have mentioned, but we have chosen Vipond, Lake Shore and Dome in the belief that an investment in same can be made with safety and that they offer excellent possibilities of substantially appreciating in market price.

Current Opinion

A PROBABILITY

Victoria Colonist: It is claimed that $90,000,000 worth of paper was made from Canadian wood in the United States during 1924. The probability is that with every carload of pulpwood that leaves this Dominion a man goes with to find work.

THE TAXING OF PUBLIC UTILITIES

Toronto Star: In his report to the Smithsonian Institute Engineer Wyer claimed that Hydro rates would be 10 per cent. higher if the publicly-owned power enterprise paid full municipal and governmental taxation.

The Hydro and all publicly-owned utilities should be required, except in extraordinary cases, to pay the same taxation that they would pay if privately owned.

The practice of exempting from taxation this and that class of property has been carried to an extreme. Those who are given service by a public utility should pay the full cost, which they are not doing so long as the utility receives preferred treatment in the matter of taxation.

TOURIST PUBLICITY

Collingwood Bulletin: THE FINANCIAL POST commends community publicity and terms it one of the greatest modern methods of improving business conditions. It urges intelligent and honest publicity with ordinary business acumen applied to the policies of the campaign. THE FINANCIAL POST is talking sense. There is no question but publicity will give great returns to a community or an indiviual for a compartively small outlay of money. Other towns at the moment are enjoying the very fine experience of fair business through energetic, enthusiastic and optimistic publicity as a community and a business people. Business now-a-days has to be sought and asked for. Silence and withdrawal from the public eye does not bring it.

BLAMING IT ON THE GAS COMPANY

Col. E. Z. Steever, General Electric Co., told this story at the meeting of the American Management Association at New York a few days ago:

"A young lady who operates a gas machine at one of our plants in Schenectady recently felt under the weather and her mother took her round to see the family doctor. When the latter heard that the young lady was working on a gas machine, he pronounced her ailment as gastritis. This interested us so much that we sent our own physician around to investigate. He found nothing wrong whatever except that the young lady needed rest. In fact, on being questioned, she admitted that she had been up late nights a good deal, attending dances and other affairs. We gave her a week off and she came back to work in fine shape. She is running the gas machine the same as usual and seems to have been permanently cured of her gastritis."

THE FARMER AND HIS PROBLEMS

Farm and Ranch Review:—It is not easy to suggest even a remotely possible solution of our many agricultural-economic problems. But it is fairly clear that it lies in an all-embracing co-operative system, which might enable the farmer to give effect to his veiws. His present plight is, as any child can see, directly and solely due to his inability through organization to impose his demand on other classes of society. He over-produces. He commits every possible economic sin and folly. Labor, capital and other classes organize for mutual protection and are, consequently, able to exact a standard of life such as the farmer cannot at present hope to enjoy for the simple reason, that there are so many farmers the world over, necessarily acting like the proverbial mob, and impotent against highly organized classes of society, such as skilled labor. What are we going to do about it? I wish I knew. The first step is obviously to get together locally for mutual protection and extending organization as fast as the individual unit is educated up to a sense of loyalty to his own class. We are miles away from any such state of mind at present. We are violently individualistic in our whole point of view. And that, of course, will never get us anywhere.

KEEPING UP APPEARANCES

Stratford Beacon-Herald: Sir Robert Falconer in his address to the Stratford alumni of the University of Toronto here stressed the point that Canada must meet the competition in the way of remuneration if she wishes to keep her best brains from emigrating to the United States. In other words, in order to keep up appearances, Canada, a nation with only about the population of New York city, scattered over an immense area, must meet the competition of a nation of over 100,000,000! It is an excellent mark to shoot at, but it is doubtful if an economist would entirely endorse such a proposal, as it is inherently unsound. The loss of brilliant men, and other men not so brilliant for that matter, to the United States, is to be regretted, but it is not a condition that can be righted by taxing the people more to pay college professors greater salaries and thus keep them in the country.

NEED OF CAPITAL

Fort William Times-Journal: Excepting some of the most ardent followers of the communistic theory, every one admits that there is a great need for capital in order to promote the industrial prosperity of the world. The failure of the Russian communists to carry on without calling in the aid of foreign capital proves that the accumulation and use of capital is one of the fundamental and basic principles of industrial progress.

Another proposition that has to be admitted with equal readiness is the fact that governments require money in order to carry on the functions which they are designed to perform, and that the only source from which a government can collect the necessary money is from taxation, and this taxation must be either drawn from capital or from its sequence, profits. Whether it is taken direct from capital or is levied on the income or profits derived from capital, the effect is much the same, it lessens the amount of the wealth of the world which is available as capital.

After certain services are provided by the government, the less money is taken from the ordinary channels of commerce the better, for it is only slowing up the industrial machine by depriving it of the means for carrying on. And the manner of extracting even those taxes which are deemed absolutely essential should be scrutinized with the utmost caution, for it is easy to apply taxation in such a manner as to wreck capital and to destroy private initiative.

Read

Analyzing and describing over 50 leading Canadian issues, the Greenshields Catalogue gives all the facts an investor would wish to know about them. Copy on request.

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ON NATIONAL TRUST BOARD

D. C. Coleman, vice-president of the Canadian Pacific Railway Company, has been appointed a member of the Winnipeg advisory board of the Royal Trust Company. Mr. Coleman joined the staff of the Canadian Pacific Railway Company in November, 1899, serving in various capacities in the west, and on the 15th October, 1918, was appointed vice-president in charge of that company's affairs west of Lake Superior.

ON CANADA TRUST BOARD

A. R. Bartlet, K.C., senior member of Bartlet, Bartlet & Barnes, of Windsor, has been elected a member of the board of the Canada Trust Company. His firm is solicitor for many prominent industrial corporations, including the Ford, Maxwell, Canadian Bridge, Canadian Salt and Trussed Concrete Steel Companies, and serves in the same capacity three chartered banks.

News and Views of Bond Market

LITTLE RANGE IN BOND PRICES AT PRESENT TIME

Standard Issues Regarded as Better Investment Proposition

Although the opportunities for securing British capital have greatly improved with the rise in the pound sterling, and some issues are finding a better reception in the United States than at home when the yield falls below 5 per cent., the indications still are that for some time at least Canadian borrowings will be largely taken care of in the domestic market as they were last year. During 1924, it has been estimated by THE FINANCIAL POST, 67 per cent. of the bond issues floated were taken up by the Canadian public. The recent transaction of the Canadian government in connection with treasury bills in London was significant as the first borrowing of the kind since before the war, but, apart from this, the indications are that the total volume of sales of general securities in that market has not been relatively important. Just at the moment the interest in the Canadian market from the British standpoint is said to be somewhat less in evidence than some weeks ago. Investments which have been made have probably been largely in the nature of re-investment.

However, the business which has been done in securing British money is important as an indication of the possibilities of again developing the British market for Canadian issues, even though the volume of capital available from that source may not be important in the immediate future. As for the American market there are indications that with foreign issues offering and a higher money rate now being forecast prices for Canadian issues may not prove attractive in competition with the home market. This seems particularly likely to be the case as American investors seek yields tending towards the five per cent. level.

The Five Per Cent. Basis

The market situation shows little change but prices are, if anything, firmer. The five per cent. yield continues as a dominant factor in the situation with prices of government and other gilt-edge bonds tending down to that basis while quotations for other securities continue strong on the upward tendency to the same level. The result is that in the present market there is practically no difference in the prices for the large Canadian city and government bonds and those of the smaller Canadian municipalities, which before the war were sold to yield ¼ to one per cent. more or upon a 15-year bond from approximately two to ten points difference in price. This situation is being pointed out to investors as showing an opportunity to purchase standard issues to advantage with the prospect of a relatively larger appreciation in price over a term of years.

Bond prices in New York have continued strong although it is anticipated that should the higher money rates being predicted, materialize, there would be a tendency on the part of the banks to exchange their holdings of securities for liquid funds to be employed for commercial and industrial purposes. Regarding the money situation the Wall Street Journal says:

"A perceptibly firmer tone was noted in the market for bankers' acceptances toward the close of last week and in some quarters rates were marked up ⅛ of 1 per cent. all around. Well informed bankers are looking for a gradual firming up in the money market during the next few weeks and predict a rise in the rediscount rate at this centre after March 15. The reason they do not believe any action will be taken before then is because the treasury has some heavy maturities falling due on that date. Gold continues to be exported to the extent of several millions a week to India and several European countries. How far these gold shipments will influence money rates remains to be seen. It is usual for commercial and agricultural borrowing to begin to increase with February.

Stetson-Cutler Bonds Strengthened by Deal

From Our Own Correspondent.

MONTREAL.—Position of bonds of Stetson-Cutler and Company is accepted as having been greatly improved by the purchase of the entire capital stock of that company by Fraser Companies. Up to the time of the recent negotiations, the bonds, for which there was a very narrow market, were bid at 75. At the present time no bonds are being offered at all and bid prices are only nominal.

The operations of these two companies dovetail in many ways, as their timber holdings are situated adjacent to one another on the water-sheds of many of the rivers on which they operate, such as the St. John, the Restigouche and the Tobique.

No change in the corporate identity of Stetson-Cutler's business is contemplated but that it is proposed to combine the operation of the properties under the management of Fraser Companies' organization.

Fraser Companies' business has been in successful operation for over fifty years. Its management has been built up out of employees who have grown up in the operation of the business, and it is regarded as one of the most outstandingly successful pulp and lumber properties in Canada.

Stetson, Cutler & Company, and subsidiaries, were one of the largest manufacturers of and dealers in spruce lumber and cedar shingles in Eastern Canada. The business has been in successful operation for over sixty years.

Leasehold timber areas of the company in Eastern Quebec and in the province of New Brunswick aggregate over 2,100 square miles and are estimated to contain 2,000,000,000 feet board measure of spruce and cedar logs, over 6,000,000 cords of pulpwood, and in addition thereto a large amount of hardwood. The company and subsidiaries own 54,000 acres of freehold timber lands in New Brunswick. Substantial areas of privately owned timber lands are controlled by the company in New Brunswick and Maine.

Claim Jarvis Unable to Pay the $600,000 Fine

In connection with the appeal of Aemilius Jarvis from the sentence of a $600,000 joint fine, an effort is being made to show before the court that the Jarvis fortune totals $439,344 and that the health of the prisoner is such that he cannot stand an indefinite prison term. Counsel for Jarvis contended that it meant life imprisonment to leave the sentence as it stands.

The court seemed somewhat skeptical as to what had become of the profits from the various bond transactions in which Jarvis participated. Mr. Justice Hodgins asked if there was any evidence to show the terms on which $368,000 in bonds had been handed to Pepall. "Suppose the suggestion is made that Pepall took the whole lot out of the country on Jarvis's account? Is there anything on which we can say, 'No, that isn't so'?" he further queried. "Sometimes people are helped by their friends. You have not shown that it is impossible. He had this large sum of money in his possession, and he gave it to someone else. He defrauded the province of that amount of money which passed through his hands, and now says that he is worth only $400,000 and won't pay it."

MANITOBA REVENUES CLOSE TO ESTIMATES

Income Tax $68,000 Short and Grain Futures Tax Still Uncertain Factor

According to a report submitted to the Manitoba legislature last week, the sum of $2,437,470 was collected by the Tax Commission during the fiscal year ending Aug. 31 last. While the Income Tax was below estimates by about $68,000, and while payments from the Grain Futures Act are still subject to the decision of the Privy Council, collections in all other departments were in excess of estimates.

The amount realized from the Income Tax was $432,316 as against estimates of half a million. Of this amount, 13,300 employees paid $272,500; 800 professionals paid $37,000; 900 merchants paid $92,000; 70 manufacturers paid $6,000; 70 farmers paid $1,500 and 1,000 persons of other occupations paid $92,000.

The estimated revenue in the various departments compared with the amounts actually collected by the commission as follows:

	Estimated	Collected
Amusements	$250,000	$282,264.63
Corporation	425,000	428,004.68
Gasoline	130,000	142,877.07
Grain futures	130,000	30,890.28
Hotel	2,000	2,150.00
Income	500,000	432,316.44
Motor vehicles	750,000	791,307.25
Railway	325,000	327,660.59

Prairie Utility Passes to New York Central

NEW YORK. — International Utilities Corporation announces that it has acquired control of the Canadian Western Natural Gas, Light, Heat and Power Co., one of the largest natural gas companies of Canada. The Canadian company serves Calgary and surrounding towns in the Province of Alberta.

This is the sixth public utility property acquired within the last few months by the International Utilities Corporation.

This Week's Bond Sales

BRACEBRIDGE BONDS

Goss, Forgie and Company were the successful tenderers for $87,600 5½ per cent. 30-year instalment bonds of the Town of Bracebridge, their bid being 103.07. Following are the bids:

Goss, Forgie & Co.	103.07
Toronto Bond Exchange	101.40
McCoo, Padmore & Co.	102.72
Municipal Bankers Corp.	102.77
Harris, McKeen & Co.	102.86
Wood, Gundy & Co.	102.63
Doherty, Easson & Co.	102.31
Bell, Gouinlock	102.33
Hanson Bros.	103.07

CITY OF HULL BONDS

The City of Hull issue of $267,000, 5 per cent. bonds, due November 1, 1828—44 was awarded to the Credit Anglo-Francais on their bid of 98.05. This price gives the city the money at the rate of 5.23 per cent. Other bids were as follows:

Bird, Harris; Mackay & Mackay	97.88
McDonagh Somers; Dyment Anderson	97.833
Bell Gouinlock	97.77
Gairdner, Clark	97.52
McLeod, Young, Weir & Co.	97.46
Wood, Gundy & Co.	97.38
Municipal Bankers; H. R. Bain & Co.	97.31
Dominion Securities	97.21
Burgess & Co.	97.18
A. E. Ames Co.	97.09
Mathews & Co.	96.98
Greenshields; Rene T. Leclerc	96.59
L. G. Beaubien	96.31

UXBRIDGE ISSUE

The town of Uxbridge has awarded W. A. Mackenzie & Co. $29,000 ten-year, 5½ per cent. debentures at 101.28 and $17,000, 30-year, 5½ per cent. debentures at 103.58. The former were issued for pavements and the latter for a high school. The following bids were received:

	Pavement	High School
W. A. Mackenzie	101.28	103.58
Goss, Forgie	101.11	103.44
A. E. Ames	102.00	102.00
H. M. Bird	102.07	102.07
McCoo, Padmore	101.84	101.84
Hanson Bros.	101.37	102.77
Wood, Gundy	101.55	101.55
McDonough, Somers	100.06	100.06
Dom. Development	100.69	102.94
Dyment, Anderson	100.77	102.72
Bell, Gouinlock	100.67	102.91
R. A. Daly	100.03	101.57
W. C. Brent	101.81	101.81
G. A. Stimson	101.02	101.02
H. R. Bain & Co.	100.87	101.87
Harris, McKeen	101.83	101.83
Worthington & Savage	101.65	101.65
MacNeill, Graham	101.02	101.02
Fry Mills Spence	101.71	101.71
Matthews & Company	101.40	101.40
C. H. Burgess	100.98	100.98
McLeod, Young	100.88	100.88
Municipal Bank. Corp.	100.82	100.82

WYER REPORT SAYS THE HYDRO HAS BIG SINKING FUND DEFICIT

(Continued from page 1)

derstood to be the influence behind the Hydro's announcements regarding the necessity for curtailing the use of electricity for domestic heating purposes. The rate has been very low. Of course, there is no admission of this by the Hydro. The announcements to the public are in the shape of propaganda as usual. The people are told that it is not a question of getting higher rates, but of being forced to cut off the supply because the Hydro is not allowed to go ahead with its own particular plans for the development of power on the St. Lawrence. These plans ignore the interests of the federal government of Canada and the government of the United States, in this great international transportation highway.

Whether or not the criticisms of Engineer Wyer are entirely justified, the fact remains that they are backed by an authority which cannot be disposed of by blustering references to "puerile superficialities" and "unfriendly acts." What is wanted is a comprehensive financial statement from the Hydro showing in a business-like way the total investments in various projects, sinking fund provisions, net debt, etc.—in a word, such a statement as a private business corporation would have to make to its shareholders in order to retain their confidence and support. Until Sir Adam does that, he must expect such criticism as that now offered, and the government must be prepared for adverse influences in the financial markets.

Details of Deficit

The details of the Hydro sinking fund and other deficits are outlined by Mr. Wyer as follows:

Draw on Treasury

The money that has been taken out of the province treasury instead of out of earnings is:

1. Subsidizing rural lines, from Section 24, $1,194,422.
2. General expenses, from Section 25, $2,245,900.

The accrued deficits in sinking fund that have not been met out of earnings are:

3. Hydro-Electric Commission bonds, from Section 28, $7,749,646.
4. From money borrowings out of the province treasury, shown in Section 28, $7,957,046.

Total, $19,147,014.

Sinking Fund Deficit

On October 31, 1924, the outstanding bonds of the Hydro-Electric Power Commission amounted to $41,768,523. These bonds range in life from 10 to 40 years. If the electric consumers—as originally contemplated in the slogan-made public opinion of "service at cost"—had been charged an annual sinking fund allowance each year, which would ultimately retire the bonds out of electric earnings when they mature—on the basis of a four per cent. sinking fund compounded annually—there should have been on hand at the end of 1924 in the sinking fund to retire these bonds, $9,579,107.

The accumulated sinking fund actually paid, out of rates charged electric consumers, to October 31, 1924, was, $1,829,461.

The shortage in sinking fund is, therefore, $7,749,646.

On October 31, 1924, the total advances to the Hydro-Electric Power Commission out of the province treasury, separate and distinct from the Hydro bonds mentioned above, amounted to $138,454,638. This money is supposed to be returned at the end of 30 years. If the electric consumers — as originally contemplated in the slogan-made public opinion of "service at cost" —had been charged an annual sinking fund allowance each year, which would ultimately pay back this money, out of electric earnings at the end of 30 years —on the basis of a four per cent. sinking fund compounded annually — there should have been on hand at the end of 1924 in the sinking fund to retire these borrowings from the province treasury, $11,859,541.

The accumulated sinking fund actually paid out of rates charged electric consumers to October 31, 1924, was, $3,902,495.

The shortage in sinking fund is, therefore, $7,957,046.

That is, future consumers must raise $7,749,646 plus $7,957,046 or $15,706,692 in order to pay for the low-priced service that the consumers in the past have received or this amount must come out of the province treasury and, therefore, be borne by the tax payers.

Referring to "service at cost," the point is made that whether service is public or private, its cost, in the inexorable law of human experience, must always include the following:

(a) Ordinary routine operating expenses necessary for carrying on the project, including insurance and taxes.

(b) Money out of income received from customers must be set aside each year to maintain the property in the highest state of service efficiency, and provide funds to replace equipment as it becomes unusable either through ordinary wear or becomes obsolete due to improvements in the art.

(c) Rental or hire of the money used in the enterprise, ordinarily called "interest."

Regarding the relation of industrial and domestic power rates in Ontario, the report says:

The domestic electric rates are below cost and the loss is made up in part by higher rates for industrial power consumers than prevail in the United States, which places Canadian industry at a disadvantage.

The short hour domestic consumer is arbitrarily, and without regard to the cost situation, given a lower rate than the cost situation would warrant. The loss is then made up by other consumers. The Ontario domestic consumers, therefore, are carried at the expense of other consumers.

NEW BOND FIRM

A new bond firm has been formed by G. C. MacLaren and R. S. Fletcher to be known as MacLaren, Fletcher and Co. Mr. MacLaren was formerly connected with the firm of R. A. Daly & Co., and Mr. R. S. Fletcher has conducted a bond business under his own name for years here. It is the intention of the new company to deal in Canadian government and municipal corporation bonds.

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BIG DEMAND FOR CIDER

KENTVILLE.—It is estimated that 152,000 barrels of apples were consumed in evaporator cider mills and canning factories in the Annapolis Valley during the past season. The manufactured products comprise 240,000 gallons of cidar and vinegar, 29,000 cases of evaporated apples and 11,000 cases of canned apples.

SASKATCHEWAN'S INDUSTRIES

REGINA.—According to the latest information there are 606 industrial establishments in the Province of Saskatchewan, with a capital of $30,268,144 and an annual production of $38,672,828. Over four thousand people were employed, to whom salaries and wages totalling $5,562,145 were paid. The cost of materials used in the different industries totalled $22,450,051.

Municipal and Provincial Finance

SEEK CURB UPON SALES ACTIVITIES OF NONRESIDENTS

Retailers Oppose Transients Who Misrepresent Goods and Evade Taxes

The provincial board of the retail merchants of Canada, through their secretary, W. C. Miller, urged the Statutes Revision Commission of Ontario that legislation should be introduced to curb the activities of transient traders, hawkers and pedlars. Mr. Miller pointed out that the association, for some years, had been pointing out the unscrupulous methods used by these fly-by-night traders. It was shown that this class of mendicant is on the increase, since they pay no taxes and are not accountable when their goods are not as represented since they are then out of the neighborhood. It was stated that some of the other provinces, especially in the West, require a provincial permit to be taken out by these traders, without which no municipal license can be obtained. Part of Mr. Miller's statement of the situation follows:

"We an also cite cases where goods sold for future delivery, which do not at the present time come under the existing statutes, afford a large field for this class of trader, and in most cases a glaring advantage is taken of this provision, and in consultation with the various license commissioners or those designated by the municipality to issue licenses, they claim that until the legislation is changed they are powerless to enact local by-laws covering this class of trader, and the practice usually adopted is to sell goods, with a car adjacent to the premises visited by the vendor, and a few minutes afterwards the goods are delivered, thus evading the real interpretation of the act.

"A large firm of English clothiers, it was pointed out, had arranged an itinerary for a number of salesmen who show their goods and subsequently take orders from consumers.

"We are also confronted under the present statutes with regard to the sale of bankrupt stocks, and when sold in the municipality in which the assignment was made, the vendor is not classified as a transient trader. We are confronted with the fact, however, that no sooner is the stock sold than in practically every case many additional dollars' worth of merchandise is added to it, with the result that bankrupt sales are conducted for an indefinite period, and during the time of the sale practically demoralizes the business of those engaged in similar lines in the centres in which the sale is being held."

In view of the situation outlined, it was urged by the representative of the retailers that the municipalities be given authority to pass by-laws regulating the sale of goods by transients.

LARGER CIVIC COSTS IN SPITE OF PARING

Works Dept. Cuts Fail to Bring Toronto's Civic Estimates Below 1924 Figure

On the whole the estimates of the Toronto civic departments show a slight increase over last year so far, although economy is the watchword. The estimates of the department of health were pared down $21,500 by the local board of health last week. As it was, the department asked for only $62,765 more than last year's figures, the total being $883,273. This is reduced to $861,773.

The estimates for the various branches of the department now stand as follows:

General Administration	$ 42,421
Medical, Dental & Quarantine	$181,444
Public Health Nursing	253,347
Laboratory Service	40,137
Isolation Hospital Service	162,741
Food Control	78,552
Sanitation Service	103,131
Total	861,773

The estimates of the street cleaning department were cut by $88,600 by the works committee, leaving them a little higher than last year at $1,848,683. An amount of $100,000 for two new incinerator sites and new eastern stables was also struck out. The principal items are administration, $57,933; street cleaning, $496,600; refuse collection, $857,500; disposal, $229,550; stables, $145,000; garage, $86,000; shop, $51,600; plant, $47,600; workmen's compensation, $10,000; total, $1,982,283.

The works committee, confronted with the estimates of their own department totalling $5,914,634, cut the figures by $2,054,068, leaving the estimates at a total of $3,860,566. They allowed the rebuilding of only one of the four bridges asked for, the North Glen Road Bridge, at a cost of $600,000. The proposal to rebuild the Island waterworks system for fire protection and water supply to cost $229,610 was deleted, while the item of $500,000 for the extension of the high pressure fire service was removed. The half-million dollar item for the widening of downtown streets was also struck out.

New Well to Explore New Western Ont. Field Has Oil

Considerable interest centres around the testing out of the new deep oil sands of Western Ontario near Thamesville, which is being done by the combined effort of Vacuum Oil, Eagle Oil and Ajax Oil. Already oil is reported in the well within 10 feet of the top. The hole is down 325-ft. a little short of half way. The oil is said to be excellent quality. Vacuum which has been one of the steady explorers in the field are proposing to drill two more wells in their Tillsonburg pool. Petrol Oil has a gas production of around 200,000 ft. daily with a certain amount of oil coming with the gas.

Government 'Phone Rate to Advance in Alberta

EDMONTON.—Higher telephone rates on the Alberta government system are a possibility and may be proposed by the government in making the annual telephone report to the legislature. Some additional revenue by which the system may be put on a self-supporting basis is now a somewhat urgent matter, and about the only way in sight is thought to be an increase of the subscribers' rate. It is understood that such an increase is likely to be recommended.

The Alberta government telephones had much such a year in 1924 as the year preceding, and there will be a deficit on operation of about the same size or possibly a little larger. Besides, the replacement reserves account was drawn upon to the extent of some $160,000 for damage caused to the system by heavy storms during the year.

Abitibi Southern Line After Quebec Subsidiaries

From Our Own Correspondent.

MONTREAL.—In order to lay before the premier of the province some of the reasons why the Abitibi Southern Railway should obtain government subsidies, a delegation this week visited the city of Quebec. Among those in the delegation were Samuel Reichbach, capitalist of New York, T. A. Lalonde, mayor of Amos, P. Q., and David Gourd, representing the Abitibi Chamber of Commerce.

The route of the new road has been surveyed and runs from Mont Laurier to Amos, a distance of 230 miles.

If carried out, the line would, it is stated, be of benefit in developing the mining possibilities of northern Quebec. Promoters call it Quebec's "T. & N. O." Incidentally, the distance between Montreal and Winnipeg via the Transcontinental would be reduced by 130 miles. The townships through which the proposed line would run include Bourlamaque, Cadillac, DuBuisson, Malartic and Fournier. The more southerly of these townships have extensive pulp and power resources.

ROYAL SECURITIES CHANGES

WINNIPEG.—The local office of the Royal Securities Corporation announces that Col. A. F. Colver, who has been manager here for some time, has been transferred to the head office staff in Montreal. H. W. Webster, who has been attached to the Winnipeg office for some years, is acting manager of this office for the present.

Municipal Notes

MONEY FOR LOCAL IMPROVEMENTS

MONTREAL.—The executive committee of the city here have placed before the council a by-law which authorizes the borrowing of $2,500,000. This new loan is for local improvements during 1925, and the property owners are given from 10 to 30 years in which to reimburse the city.

HULL ASKS FOR CHANGES

The City of Hull is applying to the provincial legislature for authorization to change the date of the city's fiscal year and the date of the annual financial report, to impose a tax on public utilities and to make some changes in their charter as it relates to municipal loans.

TORONTO DISBURSEMENTS

Without the addition of figures of the Hydro, Harbor, Transportation and Railway Commissions, cheques issued by the Toronto treasury department last year totalled 311,065, representing $56,500,000. During the year bonds totalling $5,800,000 were redeemed and 327,000 interest coupons, aggregating $8,000,000 were paid.

OAKVILLE WATER AND LIGHT

The Water and Light Commission of the town of Oakville has just presented its report to the council showing a profit of $6,455 for 1924. The report shows that while $15,547 was realized on the electric light system, there was a loss of $9,092 on the water works, bringing the gross profit down to the figure given.

MANITOBA SAVINGS BANKS

The Provincial Savings Bank of Manitoba reports net profts for the year ending August 31, last, of $51,864. The volume of deposits reached a total of $10,051,093, an increase of $2,651,151. Number of depositors now stands at 26,568, 8,073 having been added during 1924. The credit balance at the end of the year including the surplus carried forward from the previous year was $91,953.

FIXED ASSESSMENT INVALID

The township council of Stamford has declared invalid the by-law granting a fixed assessment to the Canadian Niagara Power Company. The amount to be paid annually was $80,000 on their properties in the township, but the present council has rescinded the by-law on advice that the previous by-law wsa invalid and that no agreement for a fixed assessment could be legally entered into.

Tenders and By-laws

TENDERS WANTED

Feb. 14, North Bay—$435,000, 5½%, 20-ins., debentures, Wm. A. Snyder, Town Clerk.

Feb. 16—School Commissioners of South Leeds, P.Q.—$5,000, 5½ per cent. serial maturing 1927-1949. Geo. P. Learmouth, sec.-treas.

Feb. 16.—Village of Saint-Jerome de Matane—$138,900, 5 per cent., serial, 25 years or 5½ per cent. serial, 10 years. L. P. Bilodeau, secretary-treasurer.

Feb. 19—City of Outremont, School Commissioners—$400,000, 5 per cent. serial 30 years. Rolland Belleau, sec.-treas. (See announcement on page 16).

Feb. 16, Burnaby District—$66,000, 5%, 20-thur E. Asselin, Sec.-Treas.

Feb. 16, Burnaby Diartict—$66,000, 5%, 20-year school debentures. A. G. Moore, Clerk, Edmonds.

Feb. 23, Sandwich—$85,783, 6%, 10, 15 and 20-year bonds for local improvement: $33,000, 5½%, 20-year bonds for hydro purposes. E. R. North, Clerk. (See announcement on page 16).

Feb. 23. School Municipality of the Township Bourget, $11,000, 5½ per cent. term. Arthur E. Assein, Sec.-Treas.

ONTARIO DECIDES TO EXTEND HELP TO UNEMPLOYED

Premier Believes Situation Demands Radical and Immediate Action

As the result of strong representations made by a deputation from a number of the Ontario municipalities that the provincial government should help in providing work for the unemployed, Premier Ferguson has announced that action will be taken in this direction. He stated that the Ontario Government recognizes the seriousness of the situation and proposes to share with the municipalities the cost of winter relief work. He indicated that the government will assist to the extent of more than $200,000, on relief work undertaken between Feb. 1 and April 15, 1925, on the following basis:

"One-third of the excess labor cost over the normal labor cost incurred by a municipal corporation in respect of any work wholly or partly constructed during the said period solely for the purpose of relieving unemployment; and

"One-third of the excess expenditure incurred by a municipal corporation during the said period in respect of other unemployment relief measures over the normal expenditure, as determined by the average of such expenditure of such corporations during the same period in the last preceding two years."

Relative to the responsibility of the Federal Government in such cases, Mr. Ferguson said:

"It would appear, however, that the Dominion government has declined to lend assistance in the present critical condition. The alleged reason given, I understand, is that under the British North America Act the Dominion government is precluded from giving aid under such circumstances. I am sure that this will be a surprisingly novel interpretation of our Constitution to our people. Parliament surely is supreme and can vote public moneys for any purpose it may deem proper. So that this government is unable to see that there is any force or substance in the position taken by the Dominion government.

"Although this government adheres to the view that it has no direct responsibility in the matter it realizes that the condition has reached such a serious point that there is no time to cavil about the question of responsibility. Many of our people are in dire distress and must be provided with the means of sustenance for themselves and their families. After thoroughly surveying the whole situation and weighing carefully the representations made to us by this large and influential deputation, the government feels that the people of Ontario will approve of its holding out a helping hand to the man who may be in distress through no fault of his own, but entirely on account of stagnation in industry and the lack of opportunity for employment."

Bracken Gives Assistance to Industrial Survey

WINNIPEG.—Premier Bracken has announced that Winnipeg's industrial survey proposed by the "joint industrial committee" will be accorded every assistance possible by the provincial government.

This followed the committee's request for government support to the extent of $10,000 annually for a three-year period. The premier stated that the ministers were disposed favorably toward the scheme. It is revealed, however, that the survey as proposed by the provincial government, for which a sum of $12,000 has been set aside, covers a considerably wider field than that of the joint industrial committee. The main difference is believed to lie in the fact that the city committee is concerned most with manufacturing possibilities whereas the government plans to survey all natural resources of the province including mining, furs, fisheries, waterpowers and vacant land in addition to prospective industries.

It is believed that the government will agree to make a monetary contribution to the survey planned by the committee and to co-operate wherever possible to prevent overlapping. Steps are being taken to have a further conference with the representatives of the city's committee to ascertain where such co-operation can be effected. In the meantime the government may make a contribution to the work and augment the sum already set aside for its own survey in order to canvass all points not covered by the Winnipeg scheme.

CANADA CRUSHED STONE BONDS

An issue of $300,000, 6½ per cent. 20-yr. bonds of Canada Crushed Stone Corp. is being offered by Rice Gibson & Co. at 99. The corporation is a large producer and merchandiser of crushed stone in Canada. Earnings for 11 fiscal years are equal to 4⅓ times the bond interest and for the last 6 fiscal years 6½ times. The company's plant is at Dundas, Ont.

JOSEPH KILGOUR ESTATE

Joseph Kilgour, of Toronto, who died recently, left an estate valued at $1,500,000. The principal stock items are 2,996 preferred and 220,000 common of Kilgour Bros. and 3,780 shares Brazilian Traction, 2,200 shares Barcelona, 3,000 shares British America Oil, 500 shares Smelters, 376 shares North West Land, 427 shares Salt Creek, 285 shares Mountain Producers, 1,010 shares New Bradford Oil, 100 Pressed Metals, 600 Dome Mines, 1,290 Mutual Oil, 500 International Nickel, 500 Chicago and G. W. Railway, 1,000 Dominion Canners, 250 International Petroleum.

Ore receipts at the Trail Smelter of the Consolidated Mining and Smelting Co., for the period Jan. 22 to Jan. 31, totalled 15,621 tons, and for the month of January 44,295 tons.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Place	Date	Purpose	—Sold To—	Rate	Maturity	Amount	Price	Yield
			MUNICIPAL					
Hull, P. Q.	Feb. 10	Improv.	Credit Anglo-Française	5%	1945	$276,000	98.05	5.15
Uxbridge	Feb. 9	Improv.	W. A. Mackenzie & Co.	5½%	1935	29,000	101.28	5.30
Uxbridge	Feb. 9	High Sch.	W. A. Mackenzie & Co.	5½%	1955	17,000	103.58	5.26
Bracebridge	Feb. 10	....	Goss, Forgie & Co.	5½%	1955	37,600	103.07	....
			CORPORATION					
Maine & N. B. Elec. Pr.	Feb.	....	J. C. Mackintosh & Co., and W. F. Mahon & Company	6%	1950	250,000	.....	....
Canada Crushed Stone	Feb.	....	Rice, Gibson & Co.	6½%	1945	300,000	99	6.55

We deal in—

United Securities 6% Preferred Shares.
C.P.R. 4½'s ________ 1944
Bell Telephone 5's ____ 1955
Belgo Paper 6's ______ 1943
Belgo Paper 7% Preferred Shares.
Quebec Power 6's _____ 1953
Quebec Railway 5's ____ 1939
St. Maurice Power 6½'s ________ 1953
Wayagamack 6's ______ 1951
Montreal Tram-Power 6's ________ 1929
Montreal Public Service 5's ________ 1942
Windsor Hotel 6½'s ____ 1943
Laurentide Power 5½'s 1946
Cedar Rapids 5's ______ 1953
Montreal Tramways 5's ________ 1941

Also Bonds of Provinces and the larger Canadian Cities

RENE-T. LECLERC
Incorporated
Montreal:- 160, St. James St.
Quebec:- 74, St. Peter St.
(ESTABLISHED 1901)

E173

$600,000
Admiral Beatty
Hotel
St. John, N.B., Canada
First Mortgage 20-Year
7% Sinking Fund Gold
Bonds

Price: 100½ and accrued interest to yield the investor
6.95%

SECURITY
These bonds are secured by a first mortgage on assets valued at approximately $1,500,000.

MANAGEMENT
The Admiral Beatty will be under the direction of the United Hotels Company of America, now operating 22 hotels in the United States and Canada.

Write for circular

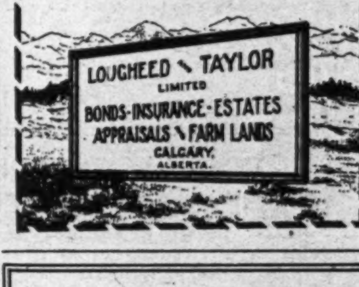
CREDIT-CANADA
Limitee
ESTABLISHED 1910
120 ST. JAMES ST., MONTREAL

MURRAY & COMPANY
Specializing in
Government,
Municipal
and
Corporation
Bonds
CONTINENTAL LIFE BUILDING
ADELAIDE 6077-78 TORONTO

The safe investment
of your funds is our
chief concern.

H. R. BAIN & Co. LTD.
Government & Municipal Bonds
371 Bay St. - Toronto

$35,000.00
Township of York, Ontario
5% Coupon Bonds,
due 1949 to 1954
Principal and semi-annual interest payable in Toronto.
Denominations: $500, $1,000
Price: 100.25 to yield
about 5.00%.
MACKAY - MACKAY
306 C. P. R. Building, Toronto



Dickinson and Walbank
(Members Montreal Stock Exchange)
No Account too small to receive our careful attention.
152 ST. JAMES ST., MONTREAL
MAIN 4090
T. Kelly Dickinson. J.Y.K. Walbank.
W. McLea Walbank.

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$81,000,000.00
Policies Issued from $1,000 to $5,000

G. E. BAILEY, Secretary — W. H. HUNTER, President — G. R. COTTRELLE, Treasurer

1870 FIFTY-FIVE YEARS YOUNG 1925

A life insurance company that is successful grows more vigorous year by year. "Advancing Age" in such an organization presupposes increasing strength, enterprise and activity. In that sense the Mutual of Canada will be literally fifty-five years young on March first next. It was on that date in the year 1870 that the office was opened. The dividends from year to year have surpassed expectation. The payment of these profits has been made possible by careful selection of risks, sound and remunerative investments, favorable mortality and economy in management. The Mutual is better prepared to-day than ever before to give its members maximum protection at minimum cost. The past year has proved a year of magnificent results.

BE A MUTUALIST
and share in the wonderful prosperity of this unique Canadian company.

The Mutual Life Assurance Company of Canada, Waterloo, Ontario.

Splendid Opportunity for
LIFE INSURANCE SALESMEN
with organizing ability. Preferably 30 to 40 years of age. To appoint and assist resident agents. Salary, travelling expenses, and commission. Full particulars as to qualifications and references requested with applications.

THE MONARCH LIFE ASSURANCE CO.
M. B. Farr, Superintendent Eastern Agencies,
602 Temple Building, Toronto.

Sells Securities to Farmers
—by Long Distance

"We find the long distance telephone the most satisfactory method of reaching the farmers on our lists," says a Montreal Investment banking house.

"In telephoning to farmers we always have the operator leave a message for him to call us. This prevents us from bringing him on a long walk across the farm if he may be busy. When he comes in at noon or later in the day, he gets in touch with our office. We make our offering to him, we get the decision at once.

"We sold $25,000 of a single issue of bonds to one farmer and did it entirely by long distance."

Each new subscriber adds to the value of YOUR telephone.

FRANK KENNEDY
Manager

THE BELL TELEPHONE COMPANY OF CANADA

FIDELITY INSURANCE SHOWS PROFITS

The annual financial statement of the Fidelity Insurance Company of Canada shows a substantial increase in the volume of business in comparison with the previous year. The total of premiums written were $141,916 as against $91,248 for the previous year. Total reinsurance amounted to $43,390; commissions on reinsurance ceded totalled $14,742; losses paid, including expenses of adjustment, $14,923, and interest on investments held totalled $20,512. This latter amount is equal to 8.24 per cent. of the capital stock of the company, while dividends at the rate of 4½ per cent. amounted to $11,154.

The directors of the company are Sidney W. Band, W. George Hynson, Brig.-Gen. Chas. H. Mitchell, Gerard H. Strathy, R. Howard Bland, Col. A. E. Kirkpatrick, Chas. O. Scull, W. W. Symington and Henry J. Wright, K.C.

The Sovereign Life Assurance Company of Canada
HEAD OFFICE, WINNIPEG, MANITOBA
BALANCE SHEET AS AT DECEMBER 31st, 1924

ASSETS

ASSETS	
Bonds, Debentures and Debenture Stocks (ledger value)	$1,318,436.12
Railway Stock (ledger value)	13,400.00
First Mortgages on Real Estate	867,343.79
Real Estate Owned	148,723.17
Loans on Policies secured by Reserves	413,867.77
Cash in Banks and at Head Office	49,922.58
Net Outstanding and Deferred Premiums (Less cost of collection)	128,103.29
Interest Outstanding	47,457.08
Interest Accrued	51,671.74
	$3,038,925.54

(The Market Value of Bonds, Debentures and Stocks authorized by Dominion Government as at December 31st. 1924, is $83,494.93 in excess of the Ledger Values taken credit for above).

LIABILITIES

LIABILITIES	
Net Reserve under Assurance and Annuity Contracts, including value of Supplementary Contracts	$2,406,174.00
Death Claims awaiting settlement	15,000.00
Policyholders' Funds left with the Company	18,601.13
Policyholders' Dividends due and unpaid	2,967.74
Premiums Paid in Advance	9,264.33
Interest Paid in Advance	13,613.82
Sundry Accounts (including Accrued Taxes, payable 1925, $11,290.28)	14,364.57
Shareholders' Account	13 227.82
Capital Stock Paid Up	209,995.00
Provision for Contingent Profits under Deferred Dividend Policies	59,392.00
Special Funds: Investment Reserve	85,460.86
Contingency Reserve	40,000.00
	$2,888,061.27
Surplus to Policyholders above Capital, Special Reserves and all other Liabilities	150,864.27
	$3,038,925.54

INSURANCE IN FORCE—$17,941,781.30. Total Income—$775,055.85

SPECIAL FEATURES OF 1924 REPORT

FAVORABLE MORTALITY—The Death Claims for the year amounted to $45,764.46, which is only 32 per cent. of the expected and is less than the 1923 claims by $21,527.17.

INTEREST RATE—The gross rate of interest earned on invested funds during the year was 6.97 per cent. In view of the Company's well-selected mortgage holdings and the large proportion of Government and Municipal issues appearing in its list of bonds, the above rate is considered very satisfactory.

VALUATION STANDARD—Policies on the With Profits plan, amounting to about 82 per cent. of the total business in force, have been valued on a 3 per cent. interest basis; so that on the great bulk of its business the Company is setting aside larger Policy Reserves than is required by the Dominion Insurance Act.

SECURITY TO POLICYHOLDERS—The general Surplus, over and above all liabilities and special reserves, is $150,864.27; but had the Company so desired, the Surplus Account might legitimately have been increased by the excess of Market Value of Bonds and Debentures over Book Value $83,400.00, and by Contingency Reserve, $40,000.00, which would result in a Surplus of at least $274,000.00; in addition to which the Investment Reserve of some $85,000.00 and the special Contingent Profits fund of $59,000.00 furnish further security to the extent of $144,000.00. Unquestionably, therefore, the Company's financial position is not only sound, but of such exceptional strength as to appeal most favorably to the insuring public.

Insurance for Buyer and Seller

NO EVIDENCE OF FURTHER LEVIES BEING SUSTAINED

Non-Assessable Policy is Subject of Considerable Controversy

While a controversy has raged for years over the merits of placing fire insurance in stock or mutual companies, a somewhat new angle has been introduced by the increased use in recent years of a policy known as a non-assessable policy by mutual companies. The purpose of the plan is to open to those purchasing insurance a means of securing the right to participate in the profits earned by a company without the attendant risk of additional assessments in case of heavy losses. The advent of the policy brought expressions of doubt as to the powers of those in charge of mutual companies to limit the liability of those who became members through placing insurance with them. Subsequent developments have gradually indicated that such limits may be placed on the liability of policyholders, and that the premium paid is the extent to which a holder of a non-assessable policy may be called on to contribute while the company is in operation.

However the point has been raised as to whether a further levy could be made on the holder of an non-assessable policy in case a company became involved and went into liquidation. It has been claimed that the courts would not uphold the non-assessable feature in such a case. Investigation by THE FINANCIAL POST through available sources has not revealed any court decision in Canada or the United States which would indicate that further assessments could be made in the case of non-assessable policies where a mutual company issuing them went into liquidation. On the other hand, cases have come to the attention of THE POST where liquidators in the United States have attempted and failed in the courts to collect further assessments from holders of these non-assessable policies in insolvent companies unless the assured have agreed in the contract that they were liable for additional assessment. The Dominion Insurance Act does not prohibit a mutual company from issuing such a contract, and the Department of Insurance has issued licenses to companies placing these policies.

Guarantee Company Builds Up Reserve

Having just concluded fifty-two years of operation in Canada and over forty years in the United States, the Guarantee Company of North America held its annual meeting in Montreal this week.

The gross income of the company for the year ended December 31, 1924, was $688,036. This figure includes $431,383 from premiums and $195,950 from interest and rents. Net premiums written during the year were $378,798, an increase of $40,000 over the previous year. Net losses totalling $135,992 were also approximately $40,000 more than those of last year. A large part of this amount was due to losses incurred and provided for during 1923. Securities to the total of $2,573,097, which is the insurance department valuation, are held. This represents an increase of $120,295 over last year, and $50,000 represents new funds.

It was pointed out by Henry E. Rawlings, president and managing director, that after making provision for all outstanding liabilities and depreciation of real estate, adding $30,000 to voluntary reserves for re-insurance fund, depreciation of investments and other contingencies, and paying the usual dividends and bonus, the surplus is increased by $85,081 and now amounts to $2,089,546.

The Department of Insurance has granted a license to the Employers' Liability Assurance Corporation to transact forgery insurance in addition to the lines now being carried on.

Ontario Sewer Pipe Gives Group Protection to Men

The 63 employees of the Ontario Sewer Pipe and Clay Products Company, of Mimico, Ontario, will in future have life and health protection under a group plan. The life protection ranges from $500 to $1,000, and in case of sickness they will receive from ten to fifteen dollars a week, together with the services of a trained nurse. The total amount of life insurance involved is $45,000. The company will bear all the costs. The arrangements for this group insurance have been made witth the Metropolitan Life. In the case of group insurance, the employees are not obliged to undergo a medical examination.

Financial Position of Sovereign Life Sound

WINNIPEG.—Once again a strong financial position is shown by the Sovereign Life Assurance Co., in its annual report for 1924. Assets now total $3,038,925, made up as follows: Bonds and debentures 47.4 per cent.; first mortgages 30.8 per cent.; policy loans 14.7 per cent.; real estate and sundries 7.1 per cent. The surplus of policy holders over all liabilities is $150,864. Had the company so desired, the surplus account might legitimately have been increased by the excess of market values of bonds and debentures over book value, $83,400, and by contingency reserve $40,000, which would result in surplus of at least $274,000, in addition to which the investment reserve of some $85,000 and the special contingent profits fund of $59,000 furnished further security to the extent of $144,000.

The receipts for the year were $775,055, which was $69,059 in excess of the 1923 collections. Of these receipts $585,081 was on account of premium, interest and rents amounted to $178,704, an increase of $33,908 over the previous year, while the net rate of return on investment was 6.97 per cent., as compared with 6.68 in 1923. Death claims for the year amounted to $45,764, only 32 per cent. of the expected and less than the 1923 claims by $21,527.

SUN LIFE SECURITIES RETURNED BIG PROFIT

Over $9,000,000 Increase in Values Shown by Year's Annual Report

From Our Own Correspondent.

MONTREAL. — The remarkable increase in investment values during the past few years has had a very beneficial effect for the Sun Life Assurance Company, and the annual report for the year 1924 shows total profits to the company of over $9,000,000 on its investments. Some of these increased values have been capitalized by sales of securities during the past year and there was a net profit of $2,891,250 from this source. In addition there was a rise of $6,331,278 in the market value of other securities which the company has continued to hold.

This is the result of the policy of buying long term investments when yields of good securities were high. The company has decided not to write up its assets by the full amount of the increase in book values, but has transferred $4,000,000 to a contingency account, strengthening the balance sheet against any possible difficulty. Partially due to the profits realized, rate of return on investments was 6.38 per cent.

The extension of the company into new fields during the year and the growth of business in old territories enabled the organization not only to bring total figures to a new high figure but to make the greatest advance in its history. Total income during the year from all sources reached the high figure of $62,245,681, which may be compared with total income in the year 1923 of $46,965,639. The new policies issued and paid for totalled $137,466,385 as against $107,391,255. Total amount of insurance in force at the end of the year amounted to $871,636,457 as against $703,765,243, and it is expected that the billion dollar mark will be touched during the current year. Much of this business was obtained by purchase, the company having taken over during the year the British and some of the foreign business of the New York company, the business of a large Eastern company, and also the policies of the North Western Life.

At the end of 1924 the assets totalled $274,130,407, an increase of nearly 65 millions. New policies actually issued and paid for during 1924 reached $137,466,384. Since the Sun Life began business $183,798,128 has been paid to policyholders and beneficiaries in death claims, matured endowments, etc. Of this amount over thirty-one million was paid out in 1924. Profits paid during the twelve month period amounted to $6,681,652. After making heavy allocations of over nine millions to reserves and contingency funds the undivided surplus of the company increased by over four million dollars, bringing the total to $22,107,357. The cash income from premiums, interest, rents, etc., amounted to $62,245,681, an increase of $15,280,042 over 1923. For the fifth year in succession the Sun Life announced a material increase in the scale of profits to policyholders.

Conviction in Merit of Product Behind R. E. Campbell's Success

Nearly Reached Million Mark in One Year; Secret Lies in Making Purchase of Insurance Attractive and Pleasant; Good Appearance Essential

By E. H. McKinney

R. E. CAMPBELL.

"Men know they can buy more money for future delivery cheaper through some good life insurance company today than they can in any other way." This is one of the fundamental factors in the enormous expansion of life insurance business in recent years, according to R. E. Campbell, a leading producer of the Great West Life Insurance Co. Not only is it the growing appreciation on the part of prospective buyers of the inherent soundness of the insurance principle, but the profound conviction of insurance men themselves, that has been responsible for the rapid growth. This conviction, along with that peculiar faculty, highly developed, of dressing each case in suitable clothes, has enabled Campbell to become an outstanding force in the expansion of the business and in particular of his own company—The Great West Life—for it may verily be called "his own," since he has spent all of his active insurance career in its service. For eighteen years he has been connected with the Great West Life. A success from the first, he has continued to pile up records year by year, until his clients are now so numerous that he can scarcely keep up with his work in attending to the insurance needs of them and their friends.

From Coal to Insurance

His ability to measure up a situation and make a decision quickly was demonstrated in the speed with which he decided to enter the business, in the days when the general misunderstanding of insurance and insurance men robbed it of many of the attractions as a career that it possesses to-day. Campbell was selling coal for a Toronto company — blacker and shinier than any other coal, he always maintained when talking to buyers. It so happened that an old friend wrote him and asked that he meet him at the King Edward Hotel on a certain Saturday afternoon. Campbell was on hand and was soon plying his friend with questions as to how he was getting along and what he was doing. The reply of the latter that he was selling life insurance elicited a derisive laugh from Campbell. He was abruptly told that if he would postpone his ridicule until the "king-pin" arrived, he would soon change his mind. The "king-pin," being no less than his friend's employer, soon arrived. Campbell was fascinated with the charm of his personality and the "king-pin" quickly perceived the possibilities in his newly-formed acquaintance. On being informed that R. E. was making $30 a week, he handed him $100 in cash, stating that it was his first week's salary in his new position. The astounded Campbell pushed it back and asked for an explanation. The outcome was an offer of $100 a week or a part of the commission, to arrange appointments with business men for the "king-pin." On Campbell's insistence, he was given until Monday to talk it over with his wife. Monday found him ready for work in the new field, but not on a salary basis. He resolved not to accept any remuneration except what he earned, and agreed to the commission arrangement. Needless to say, he did not lose by his choice, as his earnings the first year exceeded the salary suggested.

For a period he followed the original plan successfully, but the time came when the "king-pin" said: "Campbell, you have to sell life insurance yourself." He was told to take the evening train east from the city and get off at the first station, which happened to be Oshawa. The next morning he found himself out on the main street with a wallet full of literature, his hands, brains and not a little temerity, in spite of his former experience. It was that treacherous moment when so many would-be salesmen fail—his first call entirely alone, with no one else to rely on in the pinches. Here his inborn courage served him well. He stepped up to a druggist sweeping his side-walk and announced his business. "Yon can't sell me any life insurance, my wife won't stand for it," was the druggist's rejoinder. He had not reckoned on the embryo salesman's sincerity and ability, for the end of the week saw him and two of his friends policy-holders in the Great West Life. Yet Campbell had accomplished more than that—he had won three boosters for his company.

From there his field developed widely and quickly, because he did not make the mistake of selling his friends because they were friends, neglecting to seek new prospects and to broaden his knowledge of policies and their purpose. Instead he studiously avoided his friends and when he placed a policy with a friend it was because the latter approached him. Failures he had, but hard study made him such a master of his

(Continued on page 15)

THE
CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62

TORONTO, 24 Adelaide St. W.

W. H. George, Superintendent of Agencies

The Ever Present Danger of Fire

Your business assets are never safe against fire! The risk is always there, but — you need not carry it!

In the ninety years of its existence this Company has reimbursed policy holders to the extent of 56 million dollars. Since 1833, every just claim has been promptly satisfied.

THE
BRITISH AMERICA ASSURANCE COMPANY OF TORONTO
Established 1833

Consistently Doubling
every fifth year since commencing business 1892
Business-in-force, 1923 $351,402,105
Assets, 1923 56,235,142
Great-West Life

The Record of Fire Losses in Canada

Place	Property	Date	Loss	Insurance	Cause
Nova Scotia					
Stellarton	J. H. Hoan, office building	Jan. 24	40,000	......	......
New Glasgow	Mrs. S. Rogers, residence	Jan. 24	4,000	partial	furnace
Truro	A. Johnson, barn	Jan. 28	heavy	partial	unknown
Canning	Mrs. L Macoun, barn and contents	Jan. 31	15,000	partial	unknown
New Brunswick					
Moncton	Windsor Hotel	Jan. 27	heavy	......	......
Norton	N. Hayward, residence	Jan. 26	heavy	......	pipes
St. John	A Arnold, store	Jan. 26	14,000	9,000	unknown
Chatham	A B McDonald, store	Jan. 27	heavy	covered	pipes
St. Mary's	T. Girouard, barn and contents	Jan. 30	3,000	none	......
Moncton	Baptist Church	Jan. 23	35,000	......	......
Moncton	A. Mollins, garage	Jan. 23	1,000	......	......
Sussex	K. McFarland, barn and store	Jan. 28	10,000	3,500	......
St. John, N B.	Cold Storage Co,. plant	Jan. 26	1,000	......	......
Quebec					
Guelph	Paper Box Co., plant	Jan. 27	50,000	......	......
St. Hilaire	E. Dansereau, hotel	Jan. 25	30,000	partial	furnace
Montreal	Laval Clothiers, store	Jan. 26	100,000	......	......
Montreal	Poulin & Co., grocery	Jan. 29	1,500,000	......	......
Montreal	Presbyterian Church	Feb. 1	50,000	covered	......
Ontario					
Niagara Falls	Woolnough Bldg., two stores	Feb 2	20,000	covered	pipes
Toronto	Permanent Ink Co., building	Feb. 3	25,000	covered	unknown
N. Temiskaming	O. Houle, res. and store	Jan. 29	heavy	covered	unkown
Kincardine	A. Avery, garage and 21 cars	Jan. 25	heavy	partail	unknown
Hespeler	Robshaw Mill	Jan. 29	slight	......	......
Toronto	C. French, residence	Feb. 2	2,500	......	......
Owen Sound	T. Long, barn and contents	Jan. 27	slight	......	......
Toronto	W. F. Hatch, residence	Feb. 3	1,000	......	flue
Mildmay	G. Schwahn, saw mill	Feb. 3	20,000	......	......
Toronto	Baptist Church	Feb. 4	75,000	30,000	......
Normanby	Alspedt Cheese factory	Jan. 29	heavy	partial	......
Wiarton	T. J. Moore, factory	Jan. 27	20,000	11,000	......
Brighton	Spring Valley Canners, factory	Jan. 22	heavy	covered	stove
Ottawa	Orange Hall, building	Jan 30	2,000	covered	unknown
Port Arthur	J. Jacobson, grocery	Jan. 29	1,800	......	......
Kincardine	Knitting Co., factory	Jan. 29	1,300	......	......
Chatham	R. Meyers, residence	Jan. 27	2,500	covered	stove
Ottawa	Banque Provinciale, building	Feb. 4	20,000	......	......
Ailsa Craig	general store	Jan. 31	10,000	......	......
Ridgetown	R. Hornal, residence	Jan. 31	3,000	2,000	......
Arnprior	Public School	Feb 1	75,000	20,000	unknown
Ottawa	J. Murray, residence	Feb. 1	1,000	covered	......
Rideout	J. Smith, residence	Jan. 31	800	partial	......
Gueph	Page-Hersey Co., plant	Jan. 29	10,000	......	......
Toronto	A. Uplinsky, tailor store	Feb. 5	2,000	covered	......
Toronto	C. W Walsh, residence	Feb. 6	5,500	......	......
Arden	C. Alexander, store	Feb. 6	7,000	partial	......
Toronto	Can. Packing Co. warehouse	Feb. 5	slight	......	......
Toronto	Meo. W. Verrall Co., building	Feb. 6	10,000	......	......
Manitoba					
Winnipeg	Winchester Knitting Co., factory	Jan. 29	50,000	covered	......
Belleville	W. Thompson, Furniture Co.	Feb. 7	25,000	partial	......
Saskatchewan					
Kamsack	F. Makaeff, residence	Jan. 26	5,000	partial	......
Saskatoon	Western Grocers, building	Jan. 20	20,000	covered	pipes
Alberta					
Milk River	Chas. Griffiths, barn	Jan. 29	slight	......	......
British Columbia					
Hope	Raymond Block	Jan. 28	7,000	......	......
Chilliwack	E. F. McDonald, shoe store	Jan. 28	5,000	partial	......

TAXES A HEAVY BURDEN TO THE LOAN COMPANIES

Hamilton Provident Reports Paying 2% of Its Capital

Earnings of the Hamilton Provident and Loan Corporation continued to expand in 1924, the annual report showing $367,484, compared with $360,654 in the previous year. Dividends of 10 per cent. were paid, and $50,000 was added to the reserve fund, leaving $1,877 to be added to contingent fund. Following are comparative figures:

PROFIT AND LOSS

	1924	1923	1922
Earnings	$367,484	$360,654	$346,588
	171,878	173,415	162,041
Interest	111,952	107,439	102,033
Expenses	59,683	59,004	59,560
Taxes	23,971	20,796	22,954
	195,606	187,239	184,547
From conting't. .	......	......	7.959
	$171,878	$173,415	$170,000
Distribution—			
Dividends .. .	120,000	120,000	120,000
Reserves	50,000	50,000	50,000
Contingent .. .	1.878	3,414	......
	$171,878	$173,414	$170,000

Ten Years' Record

Year	Paid-up Capital	xProfits	Div.	Av. % prof. cap.	Earn. rate
1924	$1,200,000	$171,878	10	14.2	6.5
1923	1,200,000	173,415	10	14.4	6.6
1922	1,200,000	170,001	10	14.1	6.8
1921	1,200,000	156,925	10	13.0	6.2
1920	1.200,000	161,895	9	13.4	6.7
1919	1,200,000	159,730	9	13.2	6.6
1918	1,200,000	160,846	8	13.3	7.0
1917	1,200,000	168,482	8	14.0	7.7
1916	1,200,000	173,031	8	14.4	8.2
1915	1,200,000	161.449	8	13.4	7.6

xTaxes deducted.

The company's reserve fund now amounts to $1,450,000, and the contingent fund to $48,423. Capital paid up amounts to $1,200,000.

The president, George Hope, explains that interest collections have been very satisfactory, but the demand for loans has been very limited. Taxes, he says, have been a serious burden, the amount the company having to pay being equal to two per cent. of the paid-up capital.

The company's assets total $5,227,886. The balance sheet indicates that mortgage loans during the year have been reduced, and the cash balance now amounting to $347,460 greatly increased.

London & Western Trusts Continues Steady Growth

Earnings of the London & Western Trusts Co. for 1924 amounted to $80,437 compared with $85,199 in the previous year. Dividends at the rate of 7 per cent. took $35,000 and $25,000 was added to reserve. After payment of taxes and allowing substantially for depreciation the balance was increased from $13,261 to $13,543. Following are comparative figures:

PROFIT AND LOSS

	1924	1923	1922
Earnings	$ 80,437	$ 85,199	$113,290
Taxes	14,734	17,613	11,129
	$ 65,703	$ 67.586	$102,161
Bal. forward	13,261	11,384	5,628
	$ 78,963	$ 78,970	$107,789
Distribution—			
Dividends	35,000	35,000	35,000
Deprec. res. ...	5,420	5,709	6,405
Reserve	25,000	25,000	55,000
Balance	13.543	13,261	11,384
	$ 78,963	$ 78,97	$107,789

Ten Years' Record

Year	Paid-up Capital	xProfits	Div.	% prof. av. cap.	Earn. rate
1924	$500,000	$65,703	7	13.1	7.9
1923	500,000	67,586	7	13.5	8.3
1922	500,000	102,161	7	20.4	12.1
1921	500,000	27,373	7	5.4	3.7
1920	500,000	64,069	7	12.8	9.1
1919	500,000	61,135	7	12.2	9.0
1918	500,000	53,113	7	10.6	8.0
1917	500,000	50,551	7	10.1	7.8
1916	500,000	51,651	7	10.3	8.2
1916	500,000	53,486	7	10.8	9.2

xTaxes deducted.

The directors report continued steady growth which has marked the company's progress since its incorporation. Assets under administration now total $14,869,033 while there is a reserve of $325,000 against the paid-up capital of $500,000. The company has no liabilities to the public.

Consolidated Trusts Adds Further to Reserve Fund

Earnings of $13,481 are reported by the Consolidated Trust Corporation of London, for 1924, as compared with $14,075 for the previous year. After paying taxes of $2,160, $10,000 was added to the reserve fund, which now amounts to $75,000, and the balance was increased from $3,434 to $4,755. Following are comparative figures:

	1924	1923	1922
Earnings	$13,481	$14,075	$14,157
Taxes	2,160	2,048	1,791
	$11,321	$12.027	$12,366
Bal. forward	3,434	4,774	2,408
	$14,755	$16,801	$14,774
Reserve	10,000	10,000	10,000
Contingent	......	3,367	.....
Balance	4,755	3,434	4.774
	$14,755	$16,801	$14,774

The company has assets under administration amounting to $1,260,434, of which $338,151 is in its capital account, $38,485 in the guaranteed trust account, and $883,798 in the estates, trusts and agency account. Liabilities to shareholders stand at $257,212.

Federal Fire Company Had Successful Year

The annual general meeting of the shareholders of the Federal Fire Insurance Co. of Canada, was held at the head office of the company in the Federal Building, Toronto, on February 2. The president, W. S. Morden, K.C., occupied the chair.

The gross premiums for 1924 amounted to $174,219 and rebates $16,429. The total assets of the company are $454,842 and the surplus for the security of the policy holders, $73,453. Investments aggregate $73,453. There are now 401 Federal insurance agents in Ontario, outside of Toronto, and all are located south of Orillia and between Ottawa and Windsor.

The following directors were reelected at the annual general meeting of shareholders; W. S. Morden, K.C., president; S. C. Tweed, first vice-president; T. S. Kerr, second vice-president; J. A. Carveth, Emerson T. Coatsworth, LL.B., Arthur Allen, Oliver Hezzelwood, Harold W. Magee and George A. Gordon.

Empire Life Business Expands Materially

The Empire Life Insurance Co., with head office at 12-14 Wellington St. E., Toronto, has had a successful year, according to their annual report just made public. The statement shows that premiums received were 150 per cent. greater than in 1923; interest received exceeded that of 1923 by 117 per cent.; reserves were 400 per cent., and net business 100 per cent. greater during 1924 than 1923.

The officers of the company are M. P. Langstaff, managing director; J. H. Mulholland, superintendent of agencies; J. Ross Paterson, secretary-treasurer; and H. C, Parsons, medical referee.

COLONIAL LOAN DREW ON RESERVE

But Earnings For the Year Showed Marked Improvement Over Previous Year

Although the net revenue of $31,441 reported by the Colonial Investment and Loan Co. for 1924 compared very favorably with $12,285 in the previous year, the amount was still not sufficient to pay the 6 per cent. dividend distribution of $37,578. In order to meet the situation $10,000 was transferred from the reserve, the balance being increased from $3,900 to $7,763. Following are comparative figures:

PROFIT AND LOSS

	1924	1923	1922
Net revenue	$31,441	$12,285	$40,680
Bal. forward	3,900	4,180	37,986
Trans. from res.....	10,000	25,000	......
Dividends	37,578	37,565	74,486
Balance	7,763	3.900	4,180
	$45,341	$41,465	$78,666

Eight Years' Record

Year	Paid-up Capital	Profits	Div.	% on Cap.	Earn. Rate
1924 .. .	$ 648,535	$31,441	6	5.0	3.6
1923 .. .	648,330	12,285	6	2.0	1.3
1922 .. .	647,988	40,680	6	6.3	4.1
1921 .. .	1,251,382	69,425	6	5.5	4.1
1920 .. .	1,250,926	168,991	6	7.8	6.2
1919 .. .	2.458,421	136,433	6	5.5	4.7
1918 .. .	2,456,402	154,936	6	6.3	5.4
1917 .. .	2,455,375	156,879	6	6.3	5.2

The president, A. J. Jackson, explains that the sum of $25,000 was transferred from general reserve to the real estate and investment reserve and after writing a further sum of $19,026 off real estate there was a balance of $46,649 at the credit of this account. The permanent preference stock redeemed under by-law No. 8, has been paid off with the exception of $31,396 stock certificates which have not yet been presented.

The balance sheet shows assets of $987,443 compared with $1,018,864 the year before.

Increased Deposits of Trust and Loan Companies

Increases of over $3,000,000 in the deposits of loan companies and of over $1,000,000 in the deposits of trust companies during the quarter ending with December, as shown in the statements issued by the superintendent of trust and loan companies for Ontario. The loan companies showed marked increases in holdings of cash, government bonds and other liquid assets, the ratio of such assets to deposits rising from 51.11 per cent., to 67.56 per cent. The business of the trust companies revealed considerable expansion investments increasing by over $3,000,000. Following are comparative figures:

LOAN COMPANIES

	Dec. 1924	Previous Quarter
Total Deposits	$39,077,496	$35,970,301
Cash	6,898,821	2,810,453
Govt. Bonds	12,949,940	10,033.716
Municipal Debs.	4,365,442	4,209,358
Demand Loans	2,186,737	1,342,153
Cash, Securities and Loans	26,400,942	19,395,682
Per cent. of Cash etc., to Deposits	67.56	51.11

TRUST COMPANIES

	Dec. 1924	Previous Quarter
Trust Deposits	$11,435,200	$10,264,178
Spec. Guar. Inv.	20,797,381	18,914,466
Gen. Guar. Inv.......	16,166,427	16,053,247
Total Funds	48,399,008	45,213,887
Cash	2.209,626	1,202,608
Can. Bonds & Secs....	2,984,847	2,468,918
U. K. Bonds	195,477	216.081
Municipal Debs	4,542,757	4,308,622
Sch. & Tel. Debs......	434,242	473,899
Mortgages	32,939,471	32,390,750
Demand Loans	2.473,692	2,686,946
Sec. not author. as Trustee Invest.	2,618,893	1,531,267
Total Invest.	48,399,008	45,281,094

C.P.R's. Outlook Bright if Rates Hold Steady

From Our Own Correspondent.

In spite of what was probably the poorest wheat crop in the past five years which made Canadian Pacific's gross revenues the lowest for that period, the road's net operating income in 1924 was almost up to the previous year, and with the exception of 1923 was the best since 1917. If the company's special income from its 83 steamships, 13 hotels, 100,000 miles of telegraph lines and other investments, approximates that of 1923, the percentage earned on the $260,000,000 ordinary stock will not vary much from the 12 per cent. earned in 1923.

Almost 50 per cent. of the system's traffic over its western lines in the latter part of the year is wheat. Lateness of the season and big decrease in the wheat crop made gross for each of the last five months of 1924 below that of corresponding months of three previous years. That net operating income was not similarly affected was apparently due to decreased maintenance and other operating expenses.

Conditions are now more favorable than they have ever been for a more rapid colonization of the company's land holdings. Prices for agricultural products are higher than in years. Sale plan inaugurated in 1923 by the company whereby land can be bought on a 34-year payment plan makes the purchase of farms easier. Restriction in our own immigration quotas last year was a favorable development for Canada, as it has no restrictions on agriculturists.

High prices for wheat have already had the usual effect of increasing the acreage. Winter wheat acreage is 632,000 against 774,000 for 1923-24 season. It is probable that the spring wheat acreage will also show an increase. Considering that the shipping business is at least again looking upward out of a severe depression and that the agricultural situation is decidedly better, the outlook for Canadian Pacific is bright if the policy of the government continues one of upbuilding its transportation systems and maintaining rates which will allow this privately owned system to make money.

BRITISH MORTGAGE INCREASED LOANS

Holdings of Bonds Were Reduced For This Purpose—Contingent Fund Provided

Earnings of the British Mortgage Loan Co. of Ontario, for 1924, at $247,339 were practically unchanged as compared with the previous year. Interest payments were lower but taxes and general expenses were higher and the net profits were slightly less than 1923. Dividends of 12 per cent. with a bonus of 2 per cent. took $70,000, and $10,000 was added to the reserve, in addition to which $10,000 was transferred to contingent fund. The balance was reduced from $5,288 to $3,623. Following are comparative figures:

PROFIT AND LOSS

	1924	1923	1922
Earnings	$247,339	$247,368	$224,292
Interest	116,965	120,211	104,022
Expenses	29,081	26,055	23,805
Taxes	12,958	12.248	11,319
	$159,004	$158,514	$139,146
Net profits	$ 88,335	$ 88,854	$ 85,146
Bal. forward	5,288	6,435	3,382
Add. to Building	......	......	10,000
	$ 93,623	$ 95,289	$ 98,528
Premises	......	......	2,093
Distribution—			
Dividends .. .	$ 70,000	$ 70,000	$ 60,000
Reserve	10,000	20,000	30,000
Contingency .	10,000	......	......
Balance	3,623	5,288	6.435
	$ 93,623	$ 95,288	$ 96,435

Nine Years' Record

Year	Paid-up Capital	Profits	Div.	% on Cap.	Earn. Rate
1924	$500.000	$88,335	12+2	17.6	8.5
1923	500,000	88,853	12+2	17.7	8.7
1922	500,000	85,145	12	17.0	8.5
1921	500,000	70,581	12	14.1	7.3
1920	500,000	92,550	12+2	18.5	9.8
1919	500,000	82.953	12	16.5	9.1
1918	500,000	73,823	10	14.7	8.2
1917	500,000	62,984	10	12.5	7.9
1916	450,000	63,944	9	14.2	8.3

The company has assets of $3,828,143. Deposits of $1,303,563 are slightly less than a year ago but the debentures at $1,440,956 show an increase of over $40,000. Mortgage investments have increased from $2,694,709 to $2,838,022. Bond investments have been reduced. The company has a reserve fund of $530,000 and a contingent fund of $10,000 compared with a paid-up capital of $500,000.

In the annual report the president, J. W. Scott, points out that the company has surplus assets of $1,083,623 over and above its liabilities to the public. He adds that it cannot be too strongly emphasized that there is a real and tangible surplus consisting of securities worth 100 per cent. of their face value.

CONVICTION IN MERIT OF PRODUCT, R. E. CAMPBELL'S SUCCESS

(Continued from page 14)

subject that he readily gained the attention of those he interviewed. His production grew year by year, so that he has always been a member of the company's "Hundred Thousand Dollar Club," since its inception and he was its president in 1920. In 1919 he led the Ontario division of the Great West Life with 130 applications for $903,775, and the following year his applications totalled $1,041,560. Two years later, in the midst of depressing business conditions, his production amounted to no less than $1,814,480.

Many Factors in Success

We may well ask what lies behind such an outstanding success. The answer is that there have been many contributing factors. Yet possibly above all others stands that innate ability—call it personality, if you will—which enables a man to interest others readily in himself and his designs, that incomparable attractiveness which makes friends and which would have carried Campbell to success in dealing with men in any other sphere. It was this that made him successful even in the early years when a wider knowledge, mature judgment and long experience were absent. Underlying this was a profound conviction that insurance offers inestimable benefits, obtainable through no other source; that no one can be cheated by purchasing it; and that every policy, large or small, if kept in force, will ultimately become a claim. To this conviction and ability Campbell has added, through careful study, a wide knowledge of the most intimate problems which confront men and women and affect their scheme of life, and the ways in which insurance may be applied to their solution. Believing in the value of specialists, he has studied particularly corporation and income insurance.

Another factor which Campbell regards as of no small importance is appearance. He believes the salesmen should wear the best clothes possible and, above all, they should be clean and neat. This goes a long way in overcoming a feeling of inferiority which assails many salesmen when they enter a prospect's presence. Then last, but equally as important, he has been master of his time and enforced a close application to his chosen work.

Big App's From Strangers

That family connections, influential friendships (except those made by him in his business activities), or wealth, played no part in his success is demonstrated by two incidents. He had just placed a $400,000 policy and went with his family to California for a holiday. Tiring of the inactivity, one day in San Francisco he decided to sell insurance. Looking up he saw a sign of the Travelers' Insurance Co. of Hartford. He went in, secured leave to sell for the company, and a rate book. He then entered the first office building he came to and went up in the elevator. Someone called for the fourth floor and got off. All the floors were alike to Campbell, so he got off, too. He turned into the first office, which happened to be that of the terminal superintendent of the Southern Pacific Railway. Shortly after he left that office with an application from the superintendent for a $100 a month income policy, equivalent to $17,000 of insurance.

On another holiday occasion he decided to go to the country and place some insurance. Milton, a town which he had never visited before, was selected. He returned in four days with $50,000 of applications and $1,700 in premiums.

Makes it Easy to Buy

When working on a case, Campbell brings every possible factor to bear. He makes it a point to know a man's circumstances thoroughly before calling, often telephoning many friends and acquaintances. This makes it possible for him to dominate the interview. Yet it is only a beginning. During the interview he watches closely for the prospect to say something which may be of importance. Often the information so secured makes it necessary to completely re-vamp the plans and suggestions, based on the previous information. He takes pains to keep confidences and to avoid exaggeration. Rates of premiums and dividends are always relegated to the background in favor of a protection plan, which is built up in talking to a prospect. This, Campbell points out, has one great advantage. Men are constantly pressed with their immediate problems. Hence a strong tendency to postpone consideration of the distant future and regard with distaste those who force it, is always present. Thus men build up an over-sensitive, unjustified resistance to the insurance man. This makes it imperative that the buying of insurance should not be made an ordeal. Rather should a desire for it and a plan be developed carefully and gradually, always in an atmosphere of pleasantness.

Following these principles, Campbell has built up a widely extended business and made hosts of friends. A recent letter from a big policy holder, asking him to call and draw up insurance plans for his son, is typical of many he receives each week. To-day many of his policy holders have completed their payments on policies and the most common remark he hears when they pay their last premium is, "I wish it had been twice as much."

MOUNT ROYAL HOTEL

The largest volume of business ever handled by a hotel in Canada is the record claimed by the Mount Royal Hotel in reporting to its shareholders for the year 1924. An idea of the heavy traffic that is handled may be gathered from the statistics, which show that during the past year the Mount Royal had as many as 265,569 guests, representing a gain of over 10,000 over the previous year, and by far the largest figures ever touched by any hotel in the country.

This number of guests occupied during the year 107,105 rooms. The business that this number of people create in a hotel is further indicated by the report, which shows that the number of meals served during the year in the principal restaurants totalled 488,871. In addition there were served in the cafeteria 316,306 meals, making a total for the year of 805,177. The figures are all the more interesting when it is recognized that the average occupancy of the hotel for the entire year amounted to a little over 53 per cent. of capacity.

The Advance Report for the Year 1924 of

The Empire Life Insurance Company

SHOWS:

Premium receipts 150% greater in 1924 than in 1923.
Interest receipts 117% greater in 1924 than in 1923.
Reserves 400% greater in 1924 than in 1923.
Net Business in force 100% greater in 1924 than in 1923.

OFFICERS:

M. P. LANGSTAFF, A.I.A., F.A.S., Managing Director and Actuary.
J. H. MULHOLLAND, Superintendent of Agencies.
J. ROSS PATERSON, Secretary-Treasurer.
H. C. PARSONS, M.A., M.D., M.R.C.P., (London, Eng.), Medical Referee.

BRANCH MANAGERS IN ONTARIO:

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W. B. MacFARLANE, Niagara Falls.
W. HODGINS, London.
H. B. SMITH, Windsor.
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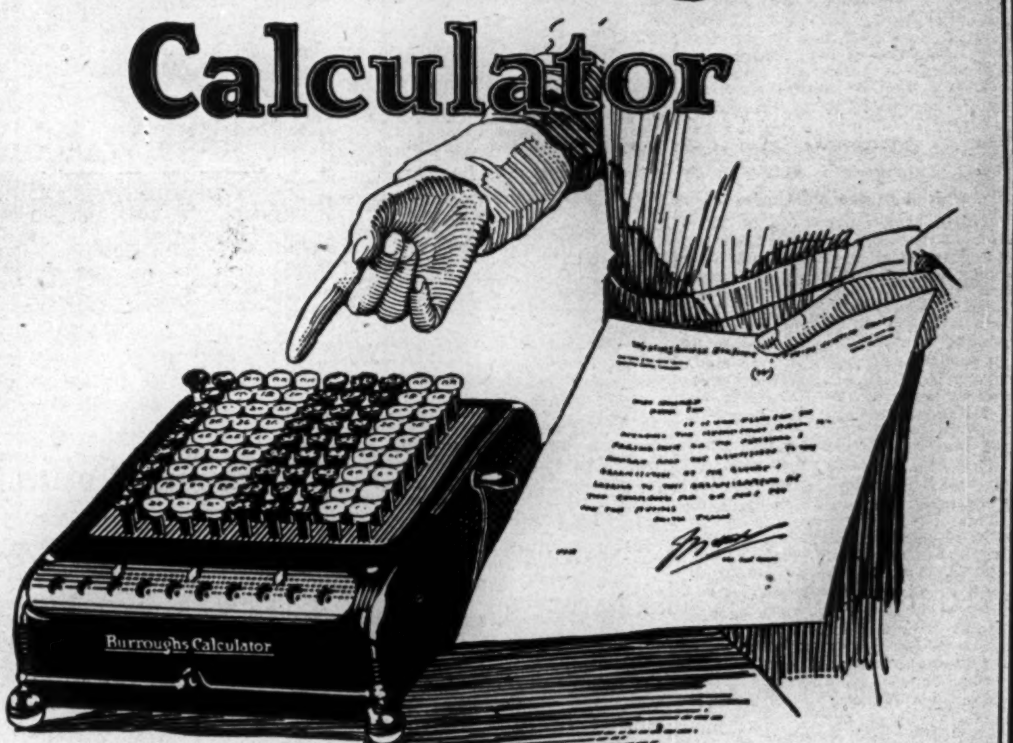

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SMELTERS TO-DAY DISCOUNT WHAT FUTURE OFFERS

American Buying is Chief Factor in Present Price

From Our Own Correspondent.

MONTREAL.—The amazing, almost unparalleled rise in shares of Consolidated Mining and Smelting has aroused the imagination of Canadian investors and speculators as few incidents have since the boom years of 1919 and 1920. There has been a rush to buy the stock that has revealed that the floating supply of the stock is exceedingly scarce. The rush to buy and the closeness with which the majority of the stock is held have combined to run the stock up to levels that can only be justified if the current, unconfirmed reports of the company's immense earnings are proven to be true and then only on future returns. There is still a keen demand for the stock from those who have unqualified faith in the company's future and in its present earnings.

Stock Has Big Following

Some of the most reliable brokerage houses in the country are urging their clients to put away a few shares of Smelters stock. A market at $100 a share is being freely prophesied by those who would have felt themselves over-optimistic had they, in 1923, mentioned $50 a share as the ultimate objective. Meanwhile the officers of the company are keeping quiet. Nothing has induced them, during the past few months, to make any amplification or revision of their statement of some months ago that no split-up of the stock was planned nor any increase in the dividend. Important interests in the company are understood to have viewed the rise in the stock with disfavor, believing it to have been more rapid and to have reached further than justified by the actual situation. It would seem that the silence of the company's officials on the subjects of earnings, dividends and capitalization, has been interpreted as a tacit admission of the truth of the unofficial estimates of profits, which assure investors that earnings are running as high as $25 a share on the stock at the present time. The least optimistic of estimates put forward is about 50 per cent. on the stock or $12.50 a share. The latter estimate would seem to have some basis of justification in the large profits that the company's Sullivan property must be making at the present time.

The Sullivan mine is one of the world's largest zinc-lead properties and this is very significant when it is considered that at the present time there is a world shortage of lead and European buying is showing a tendency to increase. The recent action of American Smelting and Refining Corporation in cutting the price of lead fractionally and followed by a jump in "Smelters" stock. The market followers paid absolutely no attention to the American announcement, seeming to regard the price cut as a temporary concession bearing no relation to the potential supply and demand .

Big United States Purchases

There have been stories too of large purchases of Smelters stock in the open market by American interests and Guggenheims, owners of the American Smelting and Refining Corporation, have been mentioned as the purchasers of a block of 20,000 shares of stock. Some doubt is cast on this rumor by such investigations as can be made. Most of the stock in recent trading has undoubtedly gone to the United States, but it is understood that it has gone into many different hands and has represented purchasing by private interests. That the total of stock that has gone to American buyers exceeds the 20,000 shares mentioned is probably true. This has tended to reduce the available supply of stock for trading and for the Canadian investors to a very limited amount, hardly sufficient to fill all the demands without unusual enhancement in a market price such as has actually taken place.

The rise in Smelters has meant much to the Canadian Pacific Railway, owner of 177,000 odd shares of the company's stock and also owner of the majority of the convertible debentures. C.P.R.'s paper profits in Smelters since January, 1923, have totalled well over $7,000,000 in addition to possible profit in bonds. It is not known what C.P.R. paid for the stock it owns but it is now obvious that its return will be handsome.

While the stock market is having its fling, the company's officers are going ahead with extensions that will greatly increase the output of the various units and bring earning power to an even higher point. Whether this increase in earnings will justify the current levels for the stock will be known in good time; certainly there are many brokers and investors who are very definite in their own minds that they will and are optimistic concerning the stock even at the present price, equivalent to over $250 a share for a stock paying 6 per cent. dividends.

ATLANTIC SUGAR REFINERY WORKS 24 HOURS A DAY

Better Outlook for Year—Sugar Prices Likely to Move Upward

From Our Own Correspondent.

MONTREAL.—The recent rise in Atlantic Sugar shares—the preferred going to around 75 and the common over 25—is one of the remarkable features of the present strong investment market. The company's earnings at the present time are undoubtedly good, yet there is in the balance sheet the large deficit that was incurred when the price of sugar fell so violently, back in 1920. As this deficit stood at $4,487,000 at the end of 1923 and cannot have been reduced below $4,000,000 by 1924 earnings and as good will is taken in at $3,000,000, it will be seen that the common shareholders have no apparent equity at all in their company and the preferred shares less than $100 a share.

The rise in the stock, then, is explained by the faith of a number of, chiefly, sugar men and insiders, in the company's earning power and the ability of this earning power to give to the balance sheet, in time, a somewhat huskier appearance. Some of the recent buying of the stock has come from New York and is understood to be for the account of sugar operators there who have been watching Atlantic Sugar and have been impressed by the fact that it was able to earn a tidy margin in 1924, while most other refineries lost heavily.

To Refund Sugar Credits

The company's position will be considerably improved this year when the sums due to sugar plantations, that have been carried in a deferred account since before the crash, will be definitely funded, probably by the issuance of bonds to the creditors. The bonds will have ample security, as the company's plants are carried in the books at nearly $6,000,000, and are estimated to have a value to-day considerably in excess of that. while the bonds at present outstanding total only about $700,000. This will turn these current liabilities into a long term obligation and remove any danger of liquidation that may be inherent in them.

It is apparent from study of earnings figures that surplus earnings to the amount of about $3,000,000 have gone back into the company in the shape of depreciation, reserves, sinking fund and decrease in balance sheet deficit since 1920. It is expected that the deficit can be wiped out in a reasonable period without counting on any period of abnormal prosperity which often comes in the sugar refining business.

Operations Now Satisfactory

At the present time the company's property at St. John is understood to be working twenty-four hours a day at full capacity. Excellent business has been booked both for domestic and foreign trade.

In refining, profits are affected by the trend of raw sugar prices. The fact that raw sugar declined almost continuously throughout nearly all of 1924 made it difficult for the company to make expected profits, and the net was reduced from around $600,000 to about half that. This year, though, conditions look more promising. Prices are low and there is likely to be a steady upward movement due to the growing consumption of sugar throughout the world. There will, of course, be fluctuations, during crop moving seasons and at other periods, but the main trend should be satisfactory for the refiners.

What is feared is a speculative movement in sugar which would upset natural laws and which would enforce an artificially high price for a time that would have to be followed by a naturel reaction.

These comments are offered in explanation of what would appeal to the average investor as an unwarranted price for the company's shares.

The Forty-sixth Annual Report of

The British Mortgage Loan Company

OF ONTARIO

STRATFORD, ONTARIO

The net profits for the year 1924, after paying interest on debentures and deposits, expenses of management, government and municipal taxes, and all other charges, amount to $88,334.91 to which is to be added the balance carried forward from 1923, $5,288.36, making a total of $93,623.27, which has been distributed as follows:

Dividends Nos. 92 and 93 at 12 per cent. per annum	$60,000.00
Bonus of 2 per cent. in addition	10,000.00
Transferred to Reserve Fund	10,000.00
Transferred to Contingent Fund	10,000.00
Balance carried forward	3,623.27
	$93,623.27

The Company has no speculative or doubtful securities of any kind.

The Directors do not sanction any loan of the Company's money on vacant or unproductive property.

The British Mortgage Loan Company is now in **first rank of similar institutions within the Province.**

The Reserve Fund has been increased $10,000 and now stands at $530,000, being $30,000 in excess of the paid-up capital. A Contingent fund has been established in accordance with sound financial practice and $10,000 was carried into this account. A substantial balance has also been brought forward into 1925.

ASSETS

Offices Premises (Freehold)		$ 30,000.00
Real Estate held for sale		Nil
Mortgages—Prin.	$2,756,314.00	
Interest	81,708.00	
		2,838,022.00
Bond Securities:		
Bonds of the Provinces of Canada	14,600.00	
Can. Municipalities	798,754.00	
Interest on Bonds	20,603.00	833,957.00
Cash on hand	17,891.69	
Cash in Bank	108,272.36	126,164.05
		$3,828,143.05

LIABILITIES

To the Public:		
Debentures and accrued Interest		$1,440,956.03
Deposits and Interest		1,303,563.75
		$2,744,519.78
To the Shareholders:		
Capital stock (fully paid)	500,000.00	
Reserve Fund	530,000.00	
Dividend and bonus (since paid)	40,000.00	
Contingent Fund	10,000.00	
Balance carried forward	3,623.27	
		$1,083,623.27
		$3,828,143.05

J. W. SCOTT, President. J. A. DAVIDSON, Managing Director.

The Royal Bank of Canada

DIVIDEND No. 150

NOTICE is hereby given that a Dividend of Three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Monday, the second day of March next, to shareholders of record at the close of business on the 14th day of February.

By order of the Board.

C. E. NEILL,
General Manager.

Montreal, Que., January 16, 1925.

Canadian Pacific Railway Company

Dividend Notice

At a meeting of the Board of Directors held to-day the following dividends were declared:

On the Preference Stock, two per cent. for the half-year ended 31st December last;

On the Common Stock, two and one-half per cent. for the quarter ended 31st December last, from railway revenues and Special Income;

Both dividends are payable 1st April next to Stockholders of record at three p.m. on 27th February, instant.

By order of the Board
ERNEST ALEXANDER,
Secretary.

Montreal, 9th February, 1925.

The Canadian Bank of Commerce

Dividend No. 152

NOTICE IS HEREBY GIVEN that a dividend of Three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 28th February, 1925, payable at the Bank and its Branches, on and after Monday, 2nd March next, to shareholders of record at the close of business on the 13th day of February, 1925.

By Order of the Board,
JOHN AIRD,
General Manager.

Toronto, 16th January, 1925.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid up Capital Stock of this institution, has been declared for the current quarter, payable on and after Monday, the SECOND day of MARCH next, to Shareholders of record of 31st January, 1925.

By order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 20th January, 1925.

Belding Corticelli Ltd.

Dividend No. 41

Notice is hereby given that on the Preference Stock of this Company, the Directors have declared a Dividend of 1¾%, payable on the 14th of March to Shareholders of record at the close of business the 28th day of February, 1925.

By Order of the Board
J. P. Kennedy,
Acting Secretary.

The Dominion Bank

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank, in Toronto, on Wednesday, 28th January, 1925, at twelve o'clock noon.

By Order of the Board.
C. A. BOGERT,
General Manager.

Toronto, 21st November, 1924.

Personal

C. J. SLOAN, manager of the Royal Bank branch at Yonge and Richmond Sts., Toronto, has been moved to the head office of the bank at Montreal, assuming the title and duties of inspector and assistant to the assistant general manager. It is understood that Mr. Sloan's new duties will be of a general nature and supervision of the credit department. Mr. Sloan joined the Royal Bank in 1904 taking the position of junior at the Grand Valley branch. He was ledger keeper in Tillsonburg and teller in Stratford and in 1906 was moved to Toronto, taking the position of accountant at the Queen and Broadview branch, where he stayed for five years. His first appointment as manager was at Gerrard and Jones Sts., Toronto, which position he held for five years, being then promoted to manager at College and Bathurst. His work was so satisfactory that he was made assistant inspector for the province of Ontario and for three years traveled the country east and west, thus becoming intimately familiarized with rural credit conditions. For the last four years Mr. Sloan has managed the Yonge and Richmond branch, having taken over this post at a time of particular stress and having handled the conditions with notable credit to himself and satisfaction to his customers and his superior officers.

CITY OF EDMONTON,

ALBERTA, CANADA

Notice is hereby given that the following bonds numbered as below, of the Series "1," due November 1, 1929, are called for redemption as at April 1, 1915, and that the said bonds will bear no interest after April 1, 1925.

No.	No.	No.	No.	No.
1	685	1256	1972	2615
2	691	1257	1987	2616
4	695	1286	1996	2617
5	731	1294	2010	2619
6	732	1403	2030	2625
7	740	1404	2059	2640
12	747	1406	2069	2661
34	748	1409	2075	2662
88	763	1410	2076	2678
114	764	1411	2078	2701
134	771	1416	2115	2712
138	820	1442	2137	2720
139	823	1455	2146	2725
140	824	1457	2157	2730
149	842	1478	2172	2747
150	846	1481	2185	2753
160	944	1494	2195	2759
186	953	1495	2257	2762
190	954	1512	2245	2765
224	955	1513	2261	2773
225	959	1519	2262	2774
226	961	1538	2278	2791
229	962	1543	2289	2809
248	992	1544	2327	2811
258	993	1555	2328	2813
270	997	1575	2338	2814
288	1001	1576	2348	2815
319	1027	1604	2353	2816
341	1028	1615	2370	2818
359	1029	1625	2380	2820
365	1043	1626	2389	2835
439	1067	1627	2413	2845
443	1071	1649	2414	2848
445	1084	1677	2456	2853
483	1092	1681	2458	2860
490	1099	1683	2460	3864
499	1100	1684	2470	3871
507	1101	1687	2475	3877
508	1120	1688	2478	3890
538	1121	1699	2519	3898
550	1122	1717	2520	2909
552	1125	1749	2521	2910
560	1165	1777	2527	2913
566	1169	1802	2529	2914
572	1170	1807	2538	2915
595	1171	1812	2544	2918
596	1172	1823	2545	2928
612	1176	1859	2562	2949
613	1199	1864	2565	2960
615	1224	1888	2576	2967
673	1225	1897	2593	
684	1226	1964	2607	

Bonds will be redeemed at any of the places of payment mentioned therein.

DATED AT EDMONTON, this 2nd day of February, 1925.

F. BARNHOUSE, City Treasurer.

DEMAND FOR TENDERS

The School Commissioners for the Municipality of the City of Outremont, in the County of Westmount

Tenders will be received from now to February 19th, 1925, at 8 o'clock P. M., for the purchase of debentures issued to the amount of $400,000.00

These Debentures are issued under form of annuities, all dated from 1st March, 1925, and maturing on a similar date each year until 1st of March, [illegible] inclusively, and bearing interest at the rate of 5% per year.

All information regarding maturity of Debentures and financial position of the Commission will be given by the Secretary-Treasurer on application.

R. BELLEAU,
Sec.-Treasurer,
225 Bloomfield,
Outremont.

The Town of Sandwich

will receive tenders until 8 p.m. of Monday, February 23rd, 1925, for the following debentures of the Town of Sandwich, namely:

$69,466.73
Term 15 years, Interest 6%
$5,037.95
Term 10 years, Interest 6%
$11,279.50
Term 20 years, Interest 6%

All the above to pay for local improvements, 33,000.00. Term 20 years, interest 5½ per cent., to be used for Hydro-Electric works.

In all the above there will be equal annual payments of principal and interest.

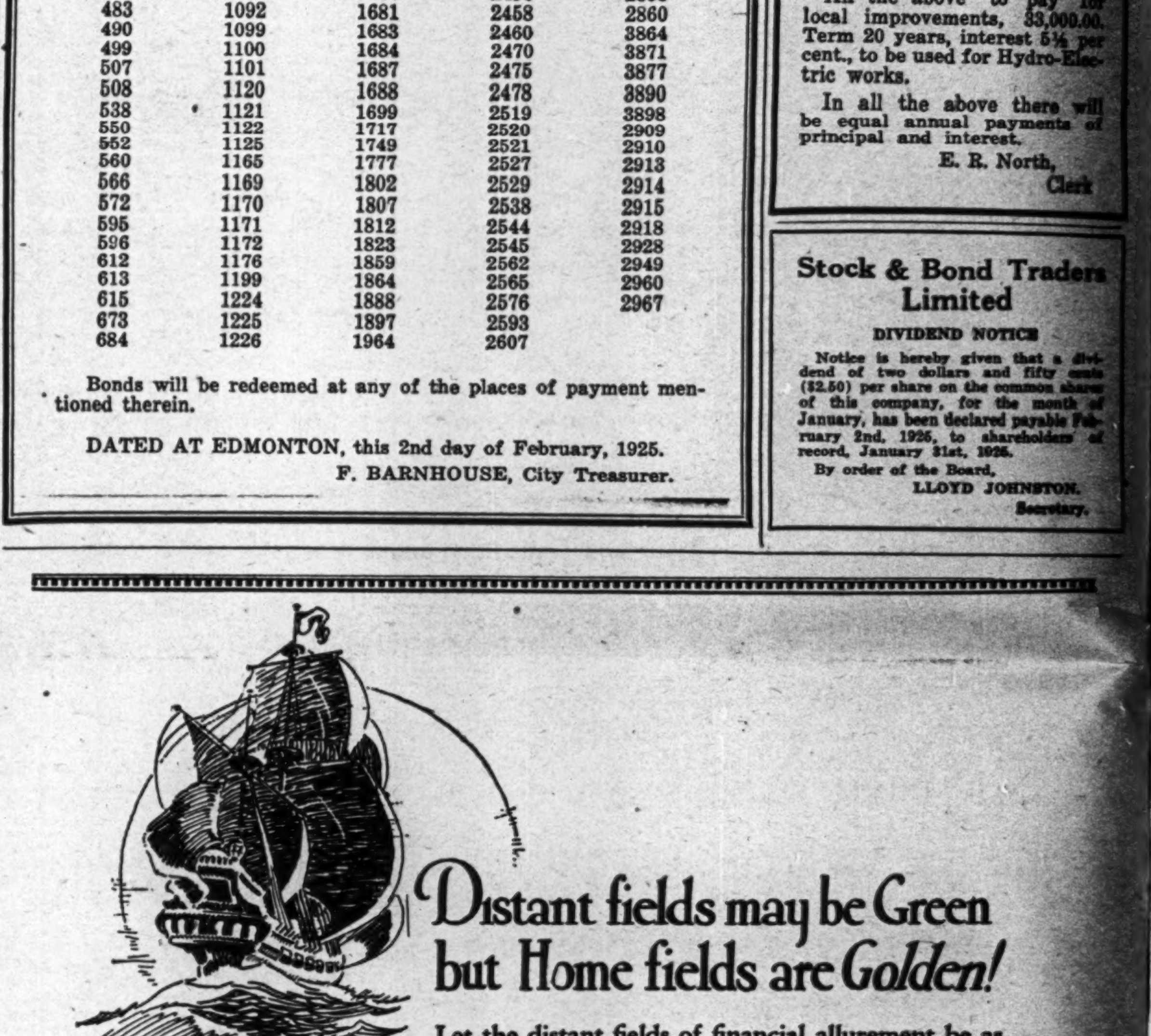
E. R. North,
Clerk

Stock & Bond Traders Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of two dollars and fifty cents ($2.50) per share on the common shares of this company, for the month of January, has been declared payable February 2nd, 1925, to shareholders of record, January 31st, 1925.

By order of the Board.
LLOYD JOHNSTON,
Secretary.



Distant fields may be Green but Home fields are *Golden!*

Let the distant fields of financial allurement be as *green* as they may—

Our Home Fields Are Golden!

The philosopher knew whereof he spoke when he epitomized in a proverb the mirage-like attraction of the far-off discovery of riches.

Actually, Canadians have gone from the world's great treasure district of Northern Ontario to search for sunken treasure in tropic oceans (see records of Cocos Island expedition). And true adventurers they were, of whose daring we may be proud, even if they saw not at their very feet the wealth they hoped for three thousand miles away.

Our fields, too, will "look green" to those who are in other lands. But the green will be shot through with a golden sheen or a flash of silver.

And the nearer one comes to our fields of opportunity, the more golden will those fields appear.

They must appear most golden in opportunity to those nearest to them—as the mists of doubt and skepticism are lifted by the Spartan work of "the men of the North."

And last year's record will be some doubt-lifter—an approximate production of $25,000,000 in Gold and $7,500,000 in Silver from this Province alone!

You may be asking yourself: "How can I participate in my own Province's great wealth?" Our resources of information have been valuable to thousands. We shall be glad to send you a copy of The Fortnightly Mining Review, our house magazine which deals exclusively with Northern Ontario. A request will bring it. No cost or obligation.

H·L·G

Ask your Banker as to our standing

HOMER L. GIBSON & COMPANY
Specialists in Northern Ontario Mines
Bank of Hamilton Building
TORONTO - ONTARIO

Write for our
FORTNIGHTLY MINING REVIEW

RADICAL ACTION URGED BY SCOTT ON GRAIN RATES

Turgeon Commission Not Unanimous on the Remedy Offered

From Our Own Correspondent.

OTTAWA.—The report of the Turgeon Grain Commission, which has just been given to the public, seems likely to start a strong discussion on transportation and colonization problems. As a matter of fact the grievances and complaints made by farmers respecting grain-handling seem to take a subordinate place in the report. Not that they have not been considered, for they are dealt with very fully, but the whole system of grain-handling receives much praise.

As far as the public generally is concerned, Commissioner J. G. Scott's remarks are almost sure to receive most attention; for he evidently thinks that any complaints that the farmers may have over the handling of their grain are mere pinpricks as compared with other things. He opens up the whole question of Canadian grain traffic or Canadian transportation agencies. He would have the grain of the West carried out through Canadian ports. In outlining how he would do this he makes some revolutionary suggestions, which may be rather visionary; but the act is that his suggestions are sure to receive attention. He also voices some strong opinions on immigration and colonization.

J. E. Dalrymple, of the Canadian National Railways, does not share Commissioner Scott's views as to what can be done through a reduction in rates, and it is interesting to compare their views on this subject.

Commissioner Scott would use the National Transcontinental as one of the main arteries for the carrying out of the grain that comes east. But his general policy relates to both systems. His proposal re rates is as follows: That for 10 years the railways should make a specialty of the transportation of export wheat to Canadian seaports, that is Vancouver, Montreal, Quebec, Halifax and St. John. That the railway rate on export wheat to Vancouver and Prince Rupert be placed on a mileage basis pro rata to the Crow's Nest Pass rate to Fort William. That the rate from Armstrong to Fort William, to Quebec or Montreal, which at one time was 6 cents per bushel, and is now 20¾ cents, should also be placed on the same basis as the rates west of Fort William, and made 11 cents per bushel; and the winter rates from the same points to Halifax and St. John, 12 cents a bushel, so as to carry out the Grand Trunk statute of 1904. He also proposes that the rates from all points in Alberta and Saskatchewan to Fort William upon export wheat and flour to Canadian seaport shall be made the same as from western Manitoba.

Commissioner Scott admits that this would be rather costly for the railways, and he thinks that the Government should stand ready to meet their loss. On this point he says:

"The Canadian Pacific and the Canadian National Railways have done wonders for the development of Canada, and they have tried to meet the wants of the people in the reduction of rates in a generous manner, as the comparison of rates with American western roads has shown. It is not fair to ask of them further sacrifices, in the present position of operating expenses in which 60 per cent. of the gross earnings of the government lines have to be expended in wages. So I would suggest that if the program I have outlined could be adopted, the railways should, as compensation for the reduction of the rates on export wheat and flour, not be disturbed in their present tariffs west of Fort William on any other goods for the period of ten years, except, perhaps, in the rates on farm implements or any other rates that the Railway Commission may deem unreasonable.

"And furthermore, that if at the end of each year, they can prove that the reduced rates above named have not covered the cost plus, twenty per cent., the government shall refund the difference, as its contribution towards the work of colonization. I would also suggest that the government should hold a conference with the railway employees, to see if they will contribute towards this good work by making some concessions which will prevent the paylists from absorbing so great a percentage of the earnings."

"Mr. Dalrymple was examined National Railways, who as traffic manager of that system gave exhaustive evidence before the Commission on rates, does not share Commissioner Scott's views as to the practicability of routing grain east from the head of the Lakes over the National Transcontinental. Indeed, it was his opposition, and the tenacity with which Mr. Scott held his opinions that possibly induced the other members of the Commission to ask him to make a statement which is submitted with the report.

Dealing with Mr. Dalrymple's testimony the report of the Commission says:

"Mr. Dalrymple was examined along the lines of the suggestion that export grain be carried from the head of the Lakes to the Eastern Canadian ports on the basis of the Crow's Nest Pass rates now effective on grain hauled from the interior points west to the Lakes. His view on this question is (1) that such a reduction would be met by equivalent reductions on American lines, including the lines from the Lower Lake ports to the seaboard, which would leave Quebec, for instance, in the relative position it is in to-day. (2) Figuring out the Crow's Nest Pass rate basis to mean a rate of 15.60 cents per bushel on wheat from the head of the Lakes to Quebec, he finds that the route via Buffalo to New York is still cheaper, even if no retaliatory reduction took place on the American lines, being 14.32 cents per bushel. (3) On the proposition placed before him by Commissioner Scott that the rate to Quebec on a proper computation of the Crow's Nest basis would be 11 cents per bushel from Armstrong, he says that in his opinion, the adoption of such a rate would surely bring about the aforesaid retaliatory reductions, and moreover that the revenues of the Canadian National Railways would be depleted, the proposed rate being totally inadequate to cover the expense of handling the traffic. As to the beneficial effect on the farmer of the general reduction of rates, "It would not only be temporary," he says, "as the higher rates would be restored as soon as the Canadian National Railways were forced out of business."

BUILDING SHOWS SOME IMPROVEMENT

Permits For January and Construction Awards Ahead of Year Ago

A reflection of better conditions in Western Canada is the fact that building undertaken in January this year was almost double that of the same month a year ago. Calgary, Vancouver and Victoria, showed material gains. In Eastern Canada there was a falling off in Ontario which cut into the total, with the result that 33 Eastern cities for the month show a decline of $87,000 compared with a year ago. Quebec City, London, and Port Arthur, were responsible for the large declines, while Ottawa and Toronto are materially higher. The better showing made by the West shows the total of Canada's permits for the month to be ahead of last year.

Construction awards for the month show a material gain over 1924, according to data compiled by Maclean's Daily Reports, the figures being, 1924, $6.538,600, as compared with $8,934,700 for 1925.

Residential building, 29 per cent., $2,591,700. Business building, $1,873,900, or 21 per cent.; industrial building, $546,500, or 6.1 per cent., and public works and utilities, $3,922,600, or 43.9 per cent. The activity was distributed among the provinces as follows: Ontario, 36.1 per cent.; Quebec, 31.3 per cent.; Prairie Provinces, 18.2 per cent.; British Columbia, 12.1 per cent.; and the Maritime Provinces, 2.2 per cent. Contemplated new work in January aggregated $42,132,800, an increase of 67 per cent. over $25,261,300, which amount was reported in January, 1924.

Eastern Cities

	Jan 1925	Jan. 1924	Change
Maritimes			
Halifax	$ 2,190	$ 16,332—	$14,142
Moncton	2,300	350+	1,950
St. John	6,000	5000+	1,000
Sydney	Nil	16,100—	16,100
Quebec—			
Montreal	765,235	724,780+	40,455
Quebec	12,200	174,365—	162,165
Sherbrooke	24,000	Nil +	24,000
Westmount	52,325	Nil +	52,325
Ontario—			
*Border Cities	380,150	469,865—	89,715
Brantford	11,500	7,025+	4,475
Fort William	6,750	15,700—	8,950
Galt	5,900	75+	5,825
Guelph	1,300	140+	1,160
Hamilton	59,800	105,800—	46,000
Kingston	1,325	545+	780
Kitchener	39,600	73,625—	34,025
London	45,260	235,400—	190,140
Niagara Falls	32,325	19,425+	12,900
Oshawa	7,720	8,250—	530
Ottawa	256,200	7,400+	248,800
Owen Sound	Nil	Nil	......
Peterborough	Nil	3,625—	3,625
Port Arthur	1,365	853,938—	852,573
Sarnia	9,825	28,705—	18,880
Sault Ste Marie	700	2,050—	1,350
Smith's Falls	Nil	2,000—	2,000
St Catharines	6,375	65,575—	59,200
St. Thomas	3,575	5,725—	2,501
Stratford	825	4,645—	3,820
Toronto	1,843,355	795,017+	1,048,338
Welland	150	1,500—	1,350
Woodstock	2,294	130+	2,164
York Twp.	151,300	176,100—	24,800
Total 33 E. Cities	3,731,844	3,819,187—	87,343

Western Cities

	Jan 1925	Jan. 1924	Change
Alberta—			
Calgary	48,550	16,000+	32,550
Edmonton	9,875	10,780—	905
Lethbridge	250	3,355—	3,105
Medicine Hat	145	140+	5
Manitoba—			
St. Boniface	60	300—	240
Winnipeg	79,000	100,950—	21,950
Saskatchewan—			
Moose Jaw	400	200+	200
Regina	18,350	11,510+	6,840
Saskatoon	4,050	1,375+	2,675
Weyburn	Nil	Nil	......
Yorkton	3,000	100+	2900
British Columbia—			
Nanaimo	3,800	3,900—	100
New Westminster	12,775	6,135+	6,640
Vancouver	335,810	196,815+	138,995
Victoria	67,245	17,305+	49,940
Total 15 W. Cities	583,310	368,865+	214,445
Grand total 48 Cites	4 315,154	4,188,052+	127,102

*Include: Windsor, Walkerville, Ford, Sandwich, Riverside.

Imprisonment Terms For Three Home Bank Directors

Amid dramatic circumstances Judge Coatsworth this week passed judgment on four of the Home Bank directors who have been tried by him on various charges in connection with the collapse of that institution. In three cases imprisonment terms were meted out, while in the fourth sentence was suspended:

Richard P. Gough, former vice-president, one year definite, plus one year, less one day indeterminate, in the Ontario Reformatory at Guelph.

James F. M. Stewart, a former director, four months definite, plus four months indeterminate, in the Ontario Reformatory at Guelph.

S. Casey Wood, K.C., a former director, six months definite, plus six months indeterminate, in the Ontario Reformatory at Guelph.

F. J. B. Russill former director, sentence suspended.

Judge Coatsworth, in passing sentence, made no review of the case before him. It was for him obviously a difficult situation and he said that never in his time on the bench had he been so troubled. He referred to the sentences as "moderate."

Appeals are being entered and in the meantime bail arrangements have been renewed.

EXPORT DUTY ON WHEAT SUGGESTED BY COMMISSION

Other Recommendations Are Directed to Improving Farmer's Position

From Our Own Correspondent.

OTTAWA. — Following are the leading recommendations and observations from the report of the Grain Commission, headed by Mr. Justice Turgeon:

An Export Duty on Wheat Entering the United States

"At the present time, the duty on Canadian wheat entering the United States is 42 cents per bushel. On wheat flour, semolina, crushed or cracked wheat, and similar wheat products, the duty is $1.04 per hundred pounds. These duties are practically prohibitive in their effect. They prevent Canadian wheat or wheat products having access to the American domestic market. On the other hand, under the provisions governing milling in bond and drawbacks, it is quite possible for the American millers to obtain Canadian wheat virtually duty free, to grind for export. Considerable quantities of Canadian wheat are ground in American mills and exported abroad under these conditions. This flour is ground in American mills, but the product of Canadian wheat, enters into competition with the output of Canadian flour mills. The benefits of manufacture are lost to Canada, while, at the same time, the general benefits of reciprocal free trade in wheat and flour do not exist. It was suggested to us that in view of these conditions, an export duty should be levied at the same rate as the American tariff upon Canadian wheat and wheat products entering the United States. The American tariff having already closed effectively the domestic market to the Canadian farmers, the result of such a levy would be to eliminate the export of American flour ground from Canadian wheat, and to transfer this market to the Canadian miller. While, as a general rule, export duties are to be deprecated, the exceptional situation that arises in this instance might warrant such an impost."

The Farmer and the Country Elevator

We are forced by all these considerations to the conclusion that the farmer who sells his grain by the wagon load, to the country elevator, has not been receiving an adequate price for his product. In order to assist this class of producer and to place him in a more equitable position with his more fortunate fellow farmers, we recommend:

1. That the Board of Grain Commissioners in Canada give their attention to a revision of the tariff charges allowed to country elevators, with a view to securing the collection of proper charges from those who made use of the elevator for handling their grain, the object being to remove the injustice of making the wagon load seller recoup the companies for losses incurred by them in handling stored grain.
2. That the provisions of the Canada Grain Act regarding the distribution of cars be modified so as to allow country elevators the privilege of securing two cars instead of one in rotation, as the law now provides.

Good Work of Railways

Moving the crop from Western Canada is a transportation task of the highest magnitude. For a short period, all the resources of the railways are used to their highest capacity. The grain must be kept moving in a continuous flow from the country points to the terminals. We find no general complaint prevalent with regard to the manner in which this service is performed. When one considers the average crop harvested, the length of time occupied in threshing the grain, and the elevator facilities at the terminals to receive shipments, the railways appear to be keeping ahead of the growing seasonal demand for transportation facilities. It is estimated that 60 per cent. of the cars employed in moving the crop lie idle during spring and summer. There are no complaints of serious blockades due to the lack of railway service.

Grain Inspection

We are in favor of placing upon the chief grain inspector for Canada the whole responsibility of grading and maintaining the integrity of the Canadian certificate final. It is with this end in view that we recommend the doing away with the present grain survey board and with the idea of the board of grain appeal as contemplated in the amendments of 1919 and that the chief inspector's staff be organized in such a way as will enable him to carry out the following:

1. Inspect and grade incoming carloads and outgoing carloads and cargoes;
2. Hear appeals from first grading;
3. Hear final appeals that were formerly heard by the survey board.

No. 1 Manitoba Hard

We recommend that the grade known as No. 1 Manitoba hard be eliminated from the list of grains set out in section 107 of the Canada Grain Act. Grain of this grade has ceased to be dealt with in practice and it should be merged in No. 1 Northern.

On the whole it would appear that the Canadian grower of wheat need feel no alarm about the stability of the world markets and its capacity to absorb all that he has to export. Seasonal variations some years may lead to disappointing returns, but the general long run trend of prices for grain seems to be upward.

NEW BANK SHARES TRADED IN

Since Hochelaga Bank changed its name to Canadienne Nationale there has been one transaction in the new stock, 84 shares changing hands at 150½, a rise of half a point on the last sale of Hochelaga.

THE ROYAL TRUST Co
EXECUTORS AND TRUSTEES

Head Office - Montreal

Sir VINCENT MEREDITH, Bart., *President*
HUNTLY R. DRUMMOND, *Vice-President*
H. B. MACKENZIE, *General Manager*
R. P. JELLETT, *Asst. Gen. Manager*
G. T. BOGERT, *Supt. of Branches*

TORONTO ADVISORY BOARD
G. G. ADAM
HIS HONOUR HENRY COCKSHUTT
Major S. NORSWORTHY, D.S.O.
B. S. DARLING

Manager BRUCE L. SMITH
Toronto Office 59 Yonge Street

BRANCHES
CALGARY, EDMONTON, HALIFAX, HAMILTON, OTTAWA, QUEBEC, ST. JOHN, N.B., ST. JOHN'S, NFLD., TORONTO, VANCOUVER, VICTORIA, WINNIPEG

Assets under Administration exceed
$351,000,000

251T

1870 1925

THE MUTUAL LIFE
Assurance Company of Canada, Waterloo, Ont.

Financial Statement For Year Ended December 31, 1924
ANOTHER EXCELLENT YEAR

A year of most gratifying results was reported to the policyholders of The Mutual Life Assurance Company of Canada at their 55th Annual Meeting on February 5th. In every phase of its business, the growth of Canada's pioneer Mutual Life Company was eminently satisfactory during 1924.

A total of $43,324,297.00 new business was written during the year, while there was earned for policyholders a surplus of $3,500,258.00.

Although the business issued during 1924 exceeded that of the preceding year by $4,283,719.00, the percentage of income required to cover general expenses was reduced from 16.15 per cent. to 15.52 per cent.

The average rate of interest earned for the year was 6.41 per cent. Much of the Company's assets are invested in high-class bonds, insuring a high average rate of interest earnings for many years.

A very influential factor in producing the record surplus earnings which sum up the results for the year 1924, was the extraordinary mortality experienced, the ratio existing between actual and expected death claims being only 36.01 per cent.

A most gratifying feature of the statement is the item of Surplus Paid. It may surprise many of our policyholders and their friends to know that the dividends paid to policyholders in 1924 amounted to 24.95 per cent. of the total premiums received by the Company for the year.

The net increase in the amount of business in force amounts to $25,747,300.00, after allowing for policies revived, bonuses added, and issued business, and deducting the various terminations. That the business has been carefully conserved is shown in the net increase above noted which leaves the Company with 135,285 policies providing $295,729,866.00 of protection.

The consistent prosperity enjoyed by the Company invites the confidence of the insuring public.

HUME CRONYN, President.
CHARLES RUBY, General Manager.

CASH ACCOUNT

INCOME

Premiums (Net)	$10,779,701.34
Interest and Rents	3,604,137.87
Amounts left on deposit	577,681.37
Miscellaneous Income	78,320.66
	$15,039,841.24

DISBURSEMENTS

Death and Disability Claims	$1,456,933.89
Matured Endowments	879,971.48
Surrendered Policies	1,168,169.59
Surplus paid Policyholders	2,689,007.99
Annuities	13,232.60
Supplementary Contracts	41,306.83
Amounts on Deposit Withdrawn	229,801.25
Premium Reductions, Quinquennial	82,331.88
Loss on Sale of Real Estate	2,367.18
Expenses, Taxes, etc.	2,334,344.58
Total Disbursements	$8,897,467.27
Excess, Income over Disbursements	6,142,373.97
	$15,039,841.24

BALANCE SHEET

ASSETS

Mortgages	$21,553,716.74
Bonds and Debentures	28,209,809.55
Policy Loans	10,155,061.41
Real Estate, Including Head Office Premises	1,861,971.16
Premium Obligations	14,301.02
Cash in Banks and Head Office	900,953.72
Due and Deferred Premiums	1,214,121.44
Due and accrued Interest, etc.	2,050,831.81
	$65,960,766.85

LIABILITIES

Policy Reserves, 3½% and 3%		$53,473,222.87
Sums assured left on deposit		5,237.25
C. S. V. Claimable on Lapsed Pols		41.38
Death Claims unadjusted		168,690.67
Provision for Unreported Claims		50,000.00
Matured Endowments unadjusted		17,151.00
Dividends due Policyholders		98,824.42
Prem. Red. on Outstanding Prems.		6,237.61
Unpd. Office Expenses and Medical fees		16,530.84
Accrued Taxes and Rents		125,111.33
Advance Premiums and Interest		93,225.56
Credit Ledger Balances		139,837.45
Dividends Allotted P. & M. Pols		2,372,044.25
" " S. D. Pols. issued since 1911		992,160.46
SPECIAL RESERVES AND SURPLUS FUNDS:		
Special Investment Reserves	$850,000.00	
Dividends Allotted to S. D. Policies issued prior to 1911	3,119,575.62	
Provision for interim dividends under quinquennial policies	414,541.89	
Provision for Dividends payable in 1925	2,500,000.00	
Provision for Mortality Fluctuation and other contingencies	$1,518,334.25	8,402,451.76
		$65,960,766.85

Audited and found correct.

Waterloo, January 28th, 1925

J. M. SCULLY, F.C.A.
Auditor.

PRESTON CHARGES OCTOPUS DIRECTS OCEAN TRANSPORT

Avers Marine Combine Discriminates Against Canada and Britain

From Our Own Correspondent.

OTTAWA.—According to W. T. R. Preston in his report to the government ocean transportation the whole world is in the grip of a giant transportation octopus, which ranges through the Seven Seas and apparently does whatever it will. The north Atlantic Steamship conference has been given a very hard name, but it seems that this is only one arm of the octopus.

In these words Mr. Preston opens his report:

> "The North American Steamship Combine is only one portion of the Steamship Combine now endeavoring to control all the great shipping interests of the world. The United States, Canada, South America, South Africa, India, Australia and New Zealand are all subject to the influence of respective branches of this maritime organization. The interests of the various sections are identical. The object in all cases is the same. It is not unreasonable to infer that it is the control of the ocean commerce of the world, fixing freight and passenger rates solely in the interest of those controlling the vast tonnage and shipping traversing these waterways, and with but little regard to the permanent welfare of the agricultural trading and trading peoples of these countries, for whose products no other regular or permanent transportation is available."

Mr. Preston admits that some continental steamship lines are still out of the combine, but it seems that strong influences are at work to get them in. The author of the report traces the beginnings of the operations of the combine back to the days when Sir Clifford Sifton was launching his immigration campaign in Europe. According to him the Allan Line approached the late Albert Ballin, of the Hambourg-American Company with a proposal to unite certain strong companies in the conference. These companies operated in the North Atlantic. From this it will be seen the evil genius of this octopus was Canadian. What makes the thing look worse is that the Allans were then government contractors.

According to Mr. Preston the Canadian government entered into an arrangement for a service between Canada and France. The vessels were chartered by the contractor from the Armstrong-Whitworth Company. The Immigration Department suggested that the contractor have his vessels call at Rotterdam for emigrants, but it is claimed that the combine stepped in and informed the Armstrong company that unless these vessels were withdrawn from the contractor all the companies in the combine would withdraw their business from the company. The company did as it was bid. As a result of the combine's policy it is claimed immigration rates have been greatly boosted.

It is claimed that knowledge of what was taking place explains the visit of Sir Henry Drayton to Great Britain in 1913 to enquire into the operations of the combine. It seems that some doubt existed as to its real existence, but it is said that Sir Henry ferreted it out. Information as to the Canadian government's feelings in the matter having got around, it is said that the government received an offer from an independent source to establish an anti-combine service.

Many excerpts are reproduced from the Imperial Royal Commission's report on shipping to show the bad effects of the combine, and it is claimed that one of the direct results was the establishment of the Imperial Shipping Board. From the report it appears that matters were had enough before the war, but that they have grown a great deal worse since then. The report also claims that the combine discriminates against Britain in the interests of foreign countries. On this point Mr. Preston says:

> "The suggestion that British steamship lines, controlled by peers, baronets, and knights of the British Empire, carry freight from foreign ports to any part of the world at a lower figure than they are willing to carry identical freight from British ports would be absurd, unless official evidence that cannot be contradicted is available to prove the absolute proof of the suggestion. I have in my possession documents establishing this fact."

Then follow examples showing that American ports are favored by the combine as against Canadian, in the matter of rates. It is also contended that the high ocean charges on the transport of cattle have put Canadian cattle growers almost out of business. This, too, is laid at the door of the combine.

It is also contended that there is a strong marine insurance combine operating against the St. Lawrence.

Under the caption of the Strong Hand, the report says:

> "The North Atlantic Steamship Conference or Combine is one of the most powerful organizations in the world. The amount of capital involved is enormous. The ramifications of the influence of these steamship companies extend not only to the ocean ports, but into every town, hamlet or village where there is a booking office or an agency for either passengers, emigrants or freight. An agent for any steamship line must have a license from the steamship company in question. For an agent to be disqualified for holding a license in one company effects his disqualification for acting as agent or transacting any business whatever for a company outside the Conference. To be discovered doing so means disqualification, withdrawal of license and ruination. Any agent found giving any information that is likely to cause trouble for the Conference also comes under the ban of this Combine."

U.S. PAPER MILLS TRYING TO SWING POLITICAL STICK

(Continued from page 1)

that the menace of to-night shall become the reality of to-morrow."

Hurt U. S. Paper Industry

That the United States interests who are now buying wood in Canada intend to use the somewhat inconsistent combination of a plea of friendship and a threat of retaliatory measures to stem public opinion in Canada is given corroboration elsewhere. The editor of "The Paper Mill," who came to Montreal to attend the Canadian paper men's convention, wrote home to his paper that the embargo would jeopardize the jobs of 120,000 men employed in the American pulp and paper industry and thus deliver a serious blow at the United States, Canada's closest friend and neighbor. He adds:

> I have no doubt that such a development would result in American public opinion influencing the government at Washington to make use of retaliatory measures.
>
> The United States government could impose an embargo on coal, sulphur and other raw materials imported from the United States by Canadian pulp and paper mills. Existing legislation would enable the United States to increase import duties on pulp and paper products. It would enable our government to impose a duty on paper coming from a country restricting exportation of raw material used in the production of paper.

It is well for those who are thinking in terms of the development of the Canadian paper industry and Canadian conservation to know the way the United States opponents of the embargo are thinking. It will give them added faith in the importance of the embargo to Canada. The threat of retaliation will cause little perturbation to those who realize that any fiscal policies directed by the United States against Canada could be scarcely more onerous than in their effect on Canada than that nation's tariff walls are to-day.

Evidence is accumulating that pro-embargo sentiment in Canada has been widened and strengthened by the manner in which the United States interests have voiced their opposition to the proposed restrictions. The Welland Tribune-Telegram states that the United States publishers' protest is the best argument for the embargo. The Toronto Star states that Canada cannot fail now to turn to the embargo proposal with new interest since Canada has been denounced for even considering the proposal. The Star says:

"When the deputation told Senator Borah that Canada was actually desiring to have her forests turned into paper by mills situated in Canada, their voices were indignant. Yet if Canada were to do this, is it not exactly what the United States has done in connection with her every industry? How can they, without feeling foolish, denounce the policy of another country when that policy is notoriously their own and their pride and boast on every political platform?"

The Globe of Toronto labels as clumsy propaganda the threats of retaliation and referring the objection of the United States interests that Canada's only desire is to make Canadian pulpwood the basis of a larger paper industry in this country, asks why this should not be the case. Says the Globe: "It is absurd to contend that the owners of mills in the States would have any grievance against Canada or any ground for retaliation if the embargo were proposed."

Sensational Market Operator Has Gone

Thos. W. Lawson, who died in the past week, was rated as one of the six best known millionaires of the United States. He was a human dynamo who made his money speculating and having a national aptitude for the limelight, had no trouble in achieving considerable fame, via., the publicity route. A son of a Nova Scotia carpenter, he followed the lead of most of the youth of the Maritimes and migrated to Boston. He was young in the brokerage game when fortune commenced to smile on him and he soon was known as the "Copper King." In the course of his campaign against Amalgamated Copper in 1904-5 he spent hundreds of thousands of dollars in newspaper space trying to organize the general public into an assault upon the big interests with whom he was at war. Only partial and temporary success attended these efforts. In the end he dropped millions of dollars in the struggle. But before he was ruined he had brought about the ruin of many others. In one day he forced 3,000,000 shares of Amalgamated and related stocks into the market. At the end of the bear movement which he organized among the hitherto undisciplined financial rabble, stocks valued at $200,000,000 had been sold and scores, if not hundreds, of people had been ruined, but not among them, one may assume, any of the eminent frenzied financiers against whom he was campaigning.

During his campaign he said:

"The frightened leaders and agents of the 'System' spread reports that I was in league with the leading plungers and manipulators of Wall St., that I was making a mere stock raid, that I was trying to 'shake down' Mr. Rogers. The truth is that I have no partners. Not a soul knew of my plans until my first advertisements appeared. I have no price, for there can be no peace until the whole rotten scheme of frenzied finance is smashed and things are brought back to their natural and honest level.

"I simply went out into the public square and told the people the truth. I was in a position to tell the truth. I am in deadly earnest. No man knows better than I do how great a service I am rendering the American people." That Lawson later changed his opinion of the American people was disclosed in a letter he wrote to the editor of Everybody's in February, 1908. He said that after devoting three and a half years of his time and "some millions of my fortune" to reform work in the interest of the public, he intended from then on to "devote my time and capital exclusively to my own business of stock gambling in Wall and other streets—particularly in Wall St.—for the purpose of recouping the millions I have donated to my public work."

His explanation was three-fold:

"You talk of what I owe the people. What do I owe to the gelatine-spined shrimps? What have the saffron-blooded apes done for me or mine that I should halt my decision to match their lightning-change, ten-above-ten-below-zero, chameleon-hued loyalty?

"The people! The very name has so seared itself into my being that, heeling its every appearance of late, are myriads of fantastically appareled marionettes whose solemn graphophoning of 'our right, our privileges,' whose bold fronting of mirror shields and savage circling of candy swords, make me almost die a-laughing. Forgive me, my dear Ridgway, but the people, particularly the American people, are a joke—a system joke."

In an article in the New York Times, Lawson wrote:

"Stock gambling is the most dangerous of all games. None can win at it; that is, no one can leave the game winner unless he dies before he has the opportunity to lose back his first winnings. None can leave the game—winner; few can leave it—loser.

"Call what you might the desire to get back to the game, once one has engaged in its fascinating chancings—fever, disease, or madness has had it in his system can or ever does eradicate it."

Lawson's first stock deal netted him $60,000 profit. His next left him with less than $200 cash. He treated his friends to a dinner and had $4.30 left to tip the waiter. He is credited with saying that he made $30,000 in a year and a half, lost $1,000,000 in a few hours and made $1,000,000 while he slept. His estate near Scituate, Mass., which he called "Dreamwold," cost him between $2,000,000 and $3,000,000, but had to be sold to pay some of his debts. He built a defender for the America's Cup, but scrapped it when the yachting officials refused to let him compete. He paid $30,000 for the famous "Lawson pink," and the fact was telegraphed around the world. He said it got him $1,000,000 worth of advertising.

POSTAL REVENUE

According to the report of the Postmaster General, tabled this week in the House of Commons, the net revenue for the fiscal year ended Mar. 31, 1924, including the war tax, amounted to $29,100,491 and the expenditure was $28,305,936. This represents a decrease of $161,740 in the net revenue and an increase of $511,434 in the expenditure. Excluding the war tax calculated at $8,573,262 the expenditure for the year exceeded the revenue by $7,778,707.

THE TRUSTS AND GUARANTEE COMPANY
LIMITED

PROFIT AND LOSS ACCOUNT
For the twelve months ending December 31st, 1924

To Dividend No. 52 at 6% per annum, paid July 1, 1924	$42,891.96
To Dividend No. 53 at 6% per ann., due Jan. 2nd, 1925	42,931.76
To Dominion of Can. Inc., Special War Revenue and Provincial Government Taxes	15,644.14
To Balance carried forward	165,271.62
	$266,739.48

By Balance January 1st, 1924	$153,637.29
By Net Profit for year after deducting cost of Management, advertising, general expenses, taxes, salaries, Directors' and Auditors' Fees	113,102.19
	$266,739.48

BALANCE SHEET, DECEMBER 31st, 1924

ASSETS

Capital Account—			
Office Premises, Safety Deposit Vaults: Toronto, Calgary and Brantford		$245,084.77	
The Trusts Buildings Limited. Shares. (See footnote to Balance Sheet, Dec. 31, 1920).			
Office Furniture		25,000.00	
Real Estate—held for sale		140,909.12	
Mortgages—			
Principal	40,708.80		
Interest	4,190.34		
		44,899.14	
Loans on Stocks, Bonds & other Secur.		27,557.72	
Dom. of Canada & Provs. of Canada Bonds		32,544.34	
Other Bonds and Debentures		597,633.27	
Stocks		231,587.77	
Cash in Chartered Banks		88,545.38	
Cash on Hand		6,840.64	
Other Assets		297,612.68	
			$1,738,214.83
Guaranteed Trust Account—			
Real Estate—held for Sale		65,416.93	
Mortgages—			
Principal	$3,351,872.69		
Interest	177,804.60		
		3,529,677.29	
Loans on Stocks, Bonds, Etc.		89,569.29	
Dominion of Canada and Provs. of Canada Bonds		768,561.23	
Can. Municipalities, School Dist. & Rural Telephone Debentures		626,372.19	
Other Bonds and Debentures		558,880.00	
Cash in Chartered Banks		242,639.30	
Cash on Hand		32,536.41	
			$5,913,652.64
Estates, Trusts and Agency Account:			
Funds and Investments			$22,529,562.91
			$30,181,430.38

LIABILITIES

Capital Account:		
Capital Stock Subscribed	$2,000,000.00	
Fully paid Shares	1,183,800.00	
Partly paid Shares	247,261.78	
		$1,431,061.78
Money Borrowed from Bank		$95,000.00
Reserve re balance Dom. Special War Revenue Tax		2,000.00
Sundry Accounts Payable		1,949.67
Dividends declared and unpaid, due January 2nd, 1925		42,931.76
Profit and Loss		165,271.62
		$1,738,214.83
Guaranteed Trust Account:		
Trust funds for investment	$4,933,341.48	
Trusts Deposits	980,311.16	
		$5,913,652.64
Estates, Trusts and Agency Account:		
Estates, Trusts and Agency Accounts		$22,529,562.91
		$30,181,430.38

JAMES J. WARREN, President.

E. B. STOCKDALE, General Manager.

We have audited the books for the year ending 31st December, 1924, and verified the cash, bank balances and securities of the Corporation. We have examined the statement and it agrees with the books of the Corporation. After due consideration we have formed an independent opinion as to the position of the Corporation; and with our independent opinion so formed and according to the best of our information and the explanations given us, we certify that in our opinion the statement sets forth fairly and truly the state of the affairs of the Corporation; and that all transactions of the Corporation that have come within our notice have been within the powers of the Corporation.

Geo. Edwards, F.C.A.,
H. Percy Edwards, F.C.A.
Auditors.
of Edwards, Morgan & Company, Chartered Accountants.

SUN LIFE ASSURANCE COMPANY OF CANADA

HEAD OFFICE - - MONTREAL

A Statement of Remarkable Progress

Extracts from Directors' Report

Your Directors present their fifty-fourth Annual Report with unusual satisfaction. The rapid expansion of operations, and the steady upbuilding of resources, which have so markedly characterized the Company's transactions in previous years, have continued during the past twelve months, and at a greatly increased rate of progress. . . .

. . . . . These figures [herewith quoted] show the growth which has taken place in the volume of the Company's operations, and in its resources. The figures as to profit-earning power and financial strength are even more impressive.

As to profits actually paid, the sum of $6,881,652.49 has been disbursed during the year to policyholders under this heading.

As to provision for the future, the Company's position has been materially strengthened in all directions.

There has been a further upbuilding of the life policy reserves. Heretofore policies issued prior to 1903 have been valued on the basis of assuming three and a half per cent. interest, as the discounting rate for the Company's obligations, but this year the entire life assurance contracts have been valued at three per cent., the extra amount thus set aside being $1,111,032.

There has also been a strengthening of the Annuity Reserves. Recent investigations have shown a progressive increase in the average lifetime of annuitants. A special annuity reserve of $750,000 has this year been set up beyond the amount required by the Government standard.

The Company's Head Office and branch buildings and other real estate, have been written down by $750,000.

The Contingency Reserves have been strengthened by the addition of $4,000,000 taken from the earnings of the year, $3,000,000 of this amount going to the fund to provide for possible fluctuations in the market value of our securities, raising that fund to $5,000,000, and $1,000,000 going to General Contingencies account, raising that to $2,500,000. These contingency accounts thus amount now to $7,500,000.

After making these heavy allocations, the undivided surplus has yet been increased by $4,234,490, bringing it to a total of $22,107,358.

The Company is, of course, in a position to increase its already generous scale of profits to policyholders, and your Directors have pleasure in announcing, for the fifth year in succession, that such an increase will be made.

While many factors have contributed to this remarkable showing, the most noteworthy has been the large earning from investments. As has been mentioned in previous reports, it has for many years been the policy of the Company to invest in long-term bonds and similar choice securities, in order that by this means the high rates of interest then prevailing as a result of the abnormal conditions produced by the war, might be projected into future years. This policy is now bearing fruit. Current rates of interest, though still very satisfactory, are materially lower than those of former years, and as a consequence there has been a marked rise in the quotations for most of the securities owned by the Company. During the past year some of these increased values have been capitalized by sales, and a net profit of $2,891,250.48 has been realized from this source. In addition there has been an increase of $6,331,377.69 in the market value of the securities still held. Although most of this increased value is undoubtedly permanent, and due merely to the readjustment of interest rates to a more normal basis, it will be noted that the Company has carried $4,000,000 of the amount to contingency accounts, as already explained.

The rate of interest earned during the year on the mean invested assets has been 6.38 per cent., exclusive of profits from sales. This is a substantial increase over the rate of the previous year, and has resulted from our having realized on some of our holdings of government and other bonds which had risen to high figures, the proceeds being then reinvested in securities yielding better returns.

1924

New Assurances Paid For	**$137,466,000**
Increase $30,075,000	
Total Income	**$62,245,000**
Increase $15,280,000	
Payments to Policyholders and Beneficiaries	**$31,881,000**
(Total paid since organization, $183,798,000)	
Assets at December 31st	**$274,130,000**
Increase $64,873,000	
Reserves for Unforeseen Contingencies	**$7,500,000**
Surplus Over All Liabilities and Contingency Reserves	**$22,107,000**
Increase $4,234,000	
Assurances in Force (Net)	**$871,636,000**
Increase . . . $167,871,000	

Policies in force (excluding Group Policies)	384,113
Employees of firms protected by Group Policies	30,160

Dividends to policyholders again increased

The Sun Life ranks amongst the Foremost Life Assurance Institutions of the World

Incorporated 1865 *Began business 1871*

OBLIGATIONS OF REAL FARMERS ARE BEING MET

That is Experience of Union Trust Company in West

The Union Trust Co., in its report for 1924, shows general improvement in its position. Henry F. Gooderham, president, at the annual meeting, confined his remarks to a review of the company's operations for the year; he was optimistic that the company would continue to grow in public esteem and confidence.

The results for 1924 showed profits of $111,078, which is somewhat in excess of the figures for 1923, while the total assets grew to $14,053,610, an increase of upwards of $700,000 during the year.

PROFIT AND LOSS

	1924	1923	1922
Profits	$111,078	$108,697	$113,467
Written off	4,142	3,600	4,536
Taxes	13,073	12,930	13,158
	17,215	16,530	17,694
	$93,863	$92,167	$95,773
Bal. forward	115,003	142,837	117,064
	$208,866	$235,004	$212,837
Distribution—			
Dividends	70,000	70,000	70,000
Reserves	......	50,000	......
Balance	138,866	115,004	142,836
	$208,866	$235,004	$212,836

Seven Years' Record

Year	Paid-up Capital	xNet Prof.	Div.	% on Cap.	Earn. Rate
1918	$1,000,000	$ 98,363	7	9.8	6.7
1919	1,000,000	102,603	7	10.2	6.8
1920	1,000,000	90,166	7	9	6
1921	1,000,000	90,229	7	0	6
1922	1,000,000	95,772	7	9.5	6.4
1923	1,000,000	92,167	7	9.2	6
1924	1,000,000	93,863	7	9.3	5.8

xTaxes and amount written off deducted.

W. A. Rowlands, manager of the company's office at Winnipeg, was present and reported that the tension which has been felt for the last three or four years was somewhat relieved during 1924, and that a new improved feeling was in evidence throughout Western Canada. Farmers lacking in industry or intelligence are seeking other lines of endeavor. The result of the company's collections in the West during 1924 shows an honest effort on the part of the real farmer to meet his obligations. Fortunately, the improved price of grain and cheaper labor costs have made possible very much improved interest collections as compared even with the results from the 1923 crop.

The board of directors, consisting of H. H. Beck, Mark Bredin, Henry F. Gooderham, M. Ross Gooderham, John B. Laidlaw, Walter C. Laidlaw, Dr. J. H. McConnell, S. R. Parsons, W. H. Smith and A. Percy Taylor was re-elected and subsequently Henry F. Gooderham and Dr J. H. McConnell were re-elected president and vice-president, respectively.

The general manager, Mr. C. D. Henderson, in commenting upon the year's operations, stated that in spite of a late harvest in Western Canada and delay caused by the operations of the wheat pools, interest collections were very substantially larger than during 1923.

TRUSTS & GUARANTEE PROFITS MAINTAINED

Increased Volume of Business Reported Despite Many Difficulties in Situation

The financial statement of the Trusts and Guarantee Company shows guaranteed trust deposits of $5,913,652 compared with $5,864,303. Estates, trusts and agency account aggregates $22,529,562.91 as against $21,462,864.57 a year ago. Total assets now amount to $30,181,430. Net profits were well maintained, amounting to $113,102 and after payment of income, war revenue and provincial taxes amounting to $15,644.14, surplus carried forward totaled $165,272.

	1924	1923	1922
Profits	$113,102	$113,590	$114,095
Taxes	15,644	17,308	16,458
	$ 97,458	$ 96,282	$ 97,637
Bal. forward	153,637	288,122	275,151
	$251,095	$384,404	$372,788
Distribution—			
Dividends	$ 85,823	$ 85,767	$ 84,666
Off assets	......	145,000	......
Balance	165,272	153,637	288,122
	$251,095	$384,404	$372,788

Mortgages held on all accounts (other than estates and trusts) amount to over three and a half millions, Dominion of Canada and provincial bonds, are over $800,000, and municipal, rural district, telephone and school bonds and call loans are over $700,000, while cash in banks and on hand increased from $297,208 to $370,561. The liquid assets were increased over $200,000.

In his remarks to shareholders the president said that "the expected improvement in western collections has taken place. Though the western crop was short, the very much higher prices for field products more than offset this shortage.

"So far as general business was concerned, the year 1924 was, if anything, more difficult and unsatisfactory than 1923. Financial institutions accumulated funds on account of more or less stagnation in industrial and commercial enterprises. Still, as shown in the statement, the company's business increased in volume and amount—and 1925 has begun well.

"Real estate did not move freely during the year, but your department made reasonable progress. The outlook for this year is not clear. There are many who hold the view that too many houses have been built in recent years in Toronto and its suburbs. While this may be, in a measure, true, the population is steadily increasing, and I feel that there is no real cause for pessimism. The growth of certain sections of the city particularly continues along sound lines."

Security Life Progressed Under New Management

While the present management of the Security Life Insurance Company of Canada was in charge for only eight months of the fiscal year ended December 31, 1924, the period was one of marked progress. Considerable readjustment had to be undertaken by the new management, as a result of which $1,870,413 of insurance was wiped off as not acceptable. In spite of this, insurance in force at the close of operations amounted to $7,583,214, as compared with $7,697,028 at the close of 1923. During the year 1924, the applications for new insurance and revivals amounted to $1,940,945, of which $1,756,509 were accepted, revivals amounting to $24,775.

Total receipts from all sources were $270,260, as against $229,031 the year before, an increase of $61,229. Of this the gross cash premium income amounted to $198,943, against $185,209, and cash interest income $27,642, compared with $25,204.

A marked reduction in administration and other expenses is revealed by the statement, the total disbursements being $157,246, compared with $180,910 the year previous. The result was an increase of $64,893 in excess receipts over disbursements in 1924 as compared with 1923, the total excess for 1924 being $113,014.

Death claims during the year called for payments of $39,435, against which the company had reinsurances of $13,538, and $9,000, claims are outstanding, leaving actual cash, death losses of $16,896. The cash statement shows $21,738 paid for death claims, the difference being made up of $4,842, of 1923 claims.

Among the liabilities in the balance sheet are shown reserve value of all policies in force, $615,291 and surplus assets over liabilities (excluding capital stock) $76,892. On the assets side stand bonds and debentures with a book value of $274,467, mortgages on real estate $200,961, which with cash in hand and in banks of $25,240 and various smaller items bring total assets to $709,956.

Peoples Loan & Savings Had Satisfactory Year

The net earnings of the Peoples Loan and Savings Corporation for 1924, amounted to $31,788 compared with $32,018 in the preceding year. Dividends took $27,368 and $5,000 was added to reserve, this having the effect of reducing the balance from $4,593 to $2,845. Following are comparative figures:

PROFIT AND LOSS

	1924	1923	1922
Profits	$ 31,788	$ 32,018	$ 32,453
Written off	1,168	569	760
	$ 30,620	$ 31,447	$ 31,693
Contingent	......	3,000	......
Bal. forward	4,593	3,196	3,282
	$ 35,213	$ 37,643	$ 34,974
Distribution—			
Dividends	27,368	26,051	24,779
Reserve	5,000	7,000	7,000
Balance	2,845	4,593	3,195
	$ 35,213	$ 37,643	$ 34,974

Eight Years' Record

Year	Paid-up Capital	xProfits	Div.	% cap.	Earn. rate
1924	$500,000	$30,620	5½	6.2	5.2
1923	496,246	31,447	5¼	6.4	5.4
1922	496,008	31,693	5	6.4	5.5
1921	494,101	29,229	5	5.9	5.2
1920	489,388	28,393	5	6.0	5.2
1919	486,720	31,654	5	6.6	5.9
1918	482,954	30,312	5	6.3	5.9
1917	480,877	29,855	6	5.3	5.9

xLess amount written off.

Eastern Savings & Loan Showed Higher Profits

Earnings of the Eastern Canada Savings & Loan Company for 1924 totalled $190,983, compared with $174,897 for the previous year and $169,055 in 1922. Expenses were somewhat higher on the larger volume of business transacted but after the payment of 8 per cent. dividends the balance was increased from $4,000 to $5,222. Following are comparative figures:

	1924	1923	1922
Earnings	$190,983	$174,897	$169,055
Interest	78,310	69,919	68,790
Management	31,376	29,265	30,140
Taxes	10,472	10,261	9,974
Written off.	5,603	1,462	1,151
	$125,761	$110,897	$105,055
	$ 65,222	$ 64,000	$ 64,000
Distribution—			
Dividends	$ 60,000	$ 60,000	$ 60,000
Reserve	5,222	4,000	4,000
	$ 65,222	$ 64,000	$ 64,000

Seven Years' Record

Year	Paid-up Capital	xNet Profits	Div.	% on Cap.	Earn. Rate
1924	$750,000	$65,222	8	8.7	6.1
1923	750,000	64,000	8	8.5	6.1
1922	750,000	64,000	8	8.5	6.1
1921	749,840	65,856	8	9.2	6.5
1920	600,000	59,303	8	10.6	7.4
1919	502,300	51,912	8	12.6	8.2
1918	375,000	43,426	8	11.7	7.6

xLess amount written off.

The company's assets total $2,708,265, reserves $319,722 liabilities to the public $1,638,542, and paid up capital $750,000.

A Satisfactory Situation Reported by Canada Landed

At the annual meeting of the Canada Landed and National Investment Co., F. W. Harcourt, K.C., president, stated that the results of 1924 varied very little from those of the preceding year. Collections were very satisfactory, and this resulted in a number of loans being placed in a more satisfactory position. Loans in Eastern Canada are stated by Mr. Harcourt to be in excellent condition, with no property on hand in Ontario. He anticipated that the company's Western real estate holdings would be reduced this year as a result of a better feeling in the country without any loss on the amount at which it is carried in the company's account. The large reserve fund enabled the company to continue its 10 per cent. dividend. The bonus of 1 per cent. was not paid, but Mr. Harcourt stated that it will be resumed when the profits justfied it. G. Tower Fergusson, vice-president, commented upon the amount of real estate held for sale. He stated that the total sum under this heading is relatively small, being less than 2 per cent. of the outstanding loans.

ON HURON AND ERIE BOARD

Shareholders of the Huron and Erie Mortgage Corporation, at the annual meeting elected Hon. Major-General S. C. Mewburn, K.C., C.M.G., M.P., to fill the place upon the board made vacant through the recent death of Dr. F. R. Eccles.

General Mewburn, who was called to the bar in 1885, is senior member of the firm of Mewburn & Marshall, barristers, Hamilton. He is a director of the Bank of Montreal, and the Mutual Life Assurance Company of Canada.

MUTUAL LIFE HAD VERY GOOD YEAR

Previous High Surplus Record Exceeded by About Half a Million Dollars

The 55th annual statement of The Mutual Life Assurance Company of Canada shows that by practically half-a-million dollars, the previous high record of surplus earnings was surpassed, the 1924 total being $3,500,258. An increased distribution was made to policyholders of $579,962.33 more than was paid out in 1923. A total of $2,689,007.99 was paid out in dividends in 1924 —a return to the policyholders of approximately 25 per cent. of the total premiums received.

As pointed out by the general manager in his address, during the lifetime of The Mutual Life of Canada, $15,963,134.22 has been paid in dividends to policyholders, and, of this amount, $12,870,044.28 was distributed during the last 10 years.

The expansion of the company's business has been healthy and progressive. During the year a total of $43,324,297 of new assurances was written, representing an increase in new policies issued of $4,283,719, or 11 per cent. more than in 1923. The business in force now amounts to $295,729,866 on 135,285 policies, compared with $269,982,566 at the end of 1923—a net increase of $25,747,300 last year. There are accumulated assets of $65,960,767, an increase over the previous year of $6,233,378.

Another record was broken in the matter of low mortality. The ratio of actual to expected death claims was only 36.01 per cent., as against 39.26 per cent. in 1923, the previous low record in recent years.

Insurance Firm Makes Change in Its Office

It is announced that the W. G. Prince Company has moved its offices from 112 Manning Chambers to 424 Bay St., Toronto. The company deals in the stock of life insurance companies and in life insurance. Mr. Prince was formerly with the Empire Life Insurance Co., and has been in business since 1920. He has placed stock in several companies. He formerly resided in Montreal, but has lived in Toronto for the past 16 years.

P. E. I. FISHERIES PRODUCTION

CHARLOTTETOWN. — Fisheries production in Prince Edward Island in 1924 had a total value of $1,162,682, according to the annual report of the provincial fishery inspector. Hake, mackerel, salmon, live lobsters and smelts recorded increases, while canned lobsters showed a heavy decrease.

Union Trust Company

LIMITED

HEAD OFFICE AND SAFE DEPOSIT VAULTS
Richmond and Victoria Streets, - TORONTO

BOARD OF DIRECTORS:
Henry F. Gooderham, President J. H. McConnell, M.D., Vice-President
Mark Bredin Walter C. Laidlaw M. Ross Gooderham
S. R. Parsons J. B. Laidlaw A. P. Taylor W. H. Smith H. H. Beck

Twenty-Fourth Financial Statement being for the Year Ended December 31st, 1924

CAPITAL ACCOUNT

ASSETS		LIABILITIES	
Mortgages, and sale agreements	$ 829,835.71	Capital Stock, fully paid	$1,000,000.00
Bonds and Stocks	228,468.86	Reserve Fund	500,000.00
Loans on Bonds and Stocks	80,120.21	Contingent Reserve	25,000.00
Real Estate	318,465.38	Dividend Payable Jan. 2nd, 1925	17,500.00
Other Assets	215,409.98	Dominion Income Tax, accrued	5,274.49
Cash on hand and in banks	25,207.68	Other Liabilities	10,866.65
		Profit and Loss	138,866.68
	$1,697,507.82		$1,697,507.82

GUARANTEED TRUST ACCOUNT

Mortgages on Real Estate	$3,627,708.24	Trust Funds for Investment	$3,299,695.80
Victory, Municipal and other Bonds and Debentures	763,446.81	Trust Deposits	1,178,993.75
Collateral Loans	60,393.39	Capital Account	161,095.34
Cash on hand and in Banks	188,236.45		
	$4,639,784.89		$4,639,784.89

ESTATES, TRUSTS AND AGENCIES ACCOUNT

Funds and Investments	$7,716,317.91	Estates, Trusts and Agencies	$ 7,716,317.91
TOTAL	$14,053,610.62	TOTAL	$14,053,610.62

PROFIT AND LOSS ACCOUNT

Quarterly Dividends	$ 70,000.00	Balance brought forward December 31st, 1923	$115,003.69
Written off Safe Deposit Vaults	4,141.91	Profits for 1924, after providing for cost of management, Directors' and Auditors' fees and all contingencies	111,078.51
Taxes and Registration Fees accrued and paid to Dominion and Provincial Governments and Municipalities	13,073.61		
Balance carried forward	138,866.68		
	$226,082.20		$226,082.20

C. D. HENDERSON, General Manager. PRICE, WATERHOUSE & CO., Auditors.

NEW ISSUE

$1,500,000

Fraser Companies, Limited

7% Cumulative Redeemable Convertible Preferred Stock

Preferred as to capital and dividends. Dividends payable January 1, April 1, July 1 and October 1. Redeemable at the Company's option at 105 and accrued dividend on 60 days' notice and at the same price in the event of liquidation or voluntary winding up. Transfer Agents: Montreal Trust Company. Registrars: Montreal Safe Deposit Company.

Convertible into Common Stock at par for par at any time at the holder's option.

Descriptive circular, copies of which will be supplied upon request, contains a letter from Mr. Archibald Fraser, President of the company, from which the following is summarized:

CAPITALIZATION

(On completion of present financing)

	Authorized	Outstanding
First Mortgage Sinking Fund Bonds	$10,000,000	$ 3,500,000*
7% Cumulative Redeemable Convertible Preferred Shares	3,000,000	1,950,000
Common Shares	10,000,000	10,000,000

*—of Series "A", 6%.

Fraser Companies, Limited, is one of the largest manufacturers in Canada of bleached and easy bleaching sulphite pulp, spruce lumber and cedar shingles. The business has been in successful operation for nearly 50 years. The Company owns valuable leases of timber limits, which—together with timber areas owned in fee, aggregating about 210 square miles—total over 2,189 square miles, situated on watersheds of the St. John, Restigouche, Tobique, Miramichi, Madawaska and other rivers tributary to the Company's principal plants in Quebec and New Brunswick. Timber areas are estimated to contain 1,892,000,000 feet b.m. of spruce, pine and cedar saw logs and 4,998,000 cords of pulpwood.

Mill properties include a bleached sulphite pulp mill at Edmundston, N.B., of 42,000 tons annual capacity; an easy bleaching sulphite pulp mill at Chatham, N.B., of 16,000 tons annual capacity, and 12 modern sawmills—situated in the eastern portion of Quebec and New Brunswick—having an annual manufacturing capacity of 124,000,000 feet b.m. lumber, 158,000,000 shingles, 200,000,000 laths and 100,000 railway ties.

The Company has recently acquired 250,000 shares of no par value Common Stock, being all the outstanding capital stock of Stetson, Cutler & Company, Limited, giving it control, subject to $2,500,000 of outstanding 7% First Mortgage Bonds, due 1942, of a valuable and extensive lumber business operating approximately 2,100 square miles of leasehold timber limits in the Provinces of Quebec and New Brunswick, and several sawmills, with a capacity of approximately 60,000,000 feet b.m. per annum.

Fraser Companies' timber limits, plants, properties and other fixed assets have a book value, after deducting depreciation, depletion and First Mortgage Bonds, of $8,136,887.72, or 4.17 times the amount of 7% Preferred Stock now being issued. Net current assets as at December 31, 1924, including proceeds of this financing (but exclusive of investments having a book value of $930,017.70) are certified by George A. Touche & Co., Chartered Accountants, to be $3,511,873.31. Combined fixed and net current assets, after deducting First Mortgage Bonds, are therefore $11,648,761.03—equivalent to over $597 per $100 share of 7% Preferred Stock.

Average annual net earnings, based on the annual earnings after deducting operating and maintenance expenses, all taxes, bond and bank interest, and after deducting depreciation of fixed assets and depletion of timber limits, but before depreciation of inventories written off during the deflation period of 1921 and 1922, and available for dividends for the six years ended December 31, 1924, as certified by George A. Touche & Co., amounted to $410,504.13—equivalent to three times the annual dividend of $136,500 on shares of this issue outstanding as above.

Net earnings, after operating and maintenance expenses, all taxes, bond and bank interest, depreciation and depletion, for the year ended December 31, 1924, are certified by George A. Touche & Co. as $336,917.48.

Having purchased these shares, we offer them for delivery if, as and when issued and received by us, and subject to the approval of our counsel of all proceedings, at

97½ and accrued dividend to yield 7.18%

Application will be made in due course to list these shares on the Montreal Stock Exchange

Royal Securities Corporation Limited

The above statements are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

The Ontario Loan and Debenture Company

The Fifty-fourth Annual General Meeting of the Shareholders of this Company was held on Wednesday afternoon, 11th instant, at the Company's Offices, London, Ontario.

The chair being taken by the President, Mr. A. M. Smart, the Manager, Mr. T. H. Main, who acted as Secretary, read the notice calling the meeting and the minutes of the last annual meeting were, upon motion, confirmed.

The Annual Report was then presented, as follows:—

London, Canada, 27th January, 1925.

To the Shareholders:—

Your Directors beg to submit their Report for 1924, which has proved a satisfactory year.

Investments with the Company have substantially increased. These additional funds have been used in making carefully selected Mortgage Loans in Ontario, which should prove a source of profit.

A very encouraging feature for Mortgage Companies has been the splendid increase in grain prices during the latter part of the year. Although it is not to be expected these prices will remain as high as now prevailing, the change has afforded substantial improvement to the position of our farmers and has given them encouragement for the future. Farm mortgage payments are already showing the benefit. If prices for agricultural products become stabilized on a profitable basis, farm lands will again be in demand with all that such a condition means in greatly added prosperity to the country at large.

Your Company presents a position of unexcelled strength and security to its Depositors and Debenture-holders, whose funds amount to $4,676,095. Its liquid securities in the form of Government and Municipal obligations, together with cash with the Company's bankers, are over sixty per cent. of that sum and in addition there is the security of Six Million Dollars in advances by way of First Mortgages on Real Estate.

After payment of Provincial and Municipal Taxes, Interest, Expenses and Charges, and after making ample provision for possible losses and contingencies, the

Net earnings for the year 1924 are		$299,097.49
Balance brought forward from previous year		47,530.83
From this Total available		$346,628.32
Dividends (Quarterly) at the rate of 11% per annum have been paid	$192,500.00	
Transferred to the Reserve Fund	75,000.00	
		$267,500.00
Balance		$ 79,128.32
Dominion Government Income War Tax		25,757.59
Balance carried forward		$ 53,370.73

The Auditors have carried on their usual thorough and continuous audit, and their certificate, in form prescribed by the Loan Corporations Act, will be found following the Financial Statement submitted herewith.

Your Directors have pleasure in acknowledging the careful attention given the Company's business by its Agents in Scotland and in recording their satisfaction with the manner in which the officials and staff of the Company have discharged their duties.

All of which is respectfully submitted.

A. M. SMART, President.

Financial Statement, 31st December, 1924

ASSETS:

Office Premises (freehold)	$ 40,000.00
Real Estate held for sale	79,350.01
Mortgages—Principal $5,800,795.12, Interest $200,159.43	6,000,954.55
Loans on Stocks and Bonds	167,034.06
Securities of United Kingdom, Dominion of Canada and Provinces of Canada	1,046,670.92
Securities of Canadian Municipalities, School Districts and Rural Telephone Debentures	957,541.86
Securities guaranteed by Dominion of Canada and Provinces of Canada	510,574.35
Cash in Chartered Banks in Great Britain	8,478.59
Cash in Chartered Banks in Canada	291,986.76
	$9,102,591.10

LIABILITIES:

To the Public:—		
Debentures, Sterling, including accrued interest	$1,027,544.19	
Debentures, Currency, including accrued interest	2,809,697.12	
		$3,837,241.31
Deposits		838,854.06
		$4,676,095.37
To the Shareholders:—		
Capital Stock Subscribed, $2,550,000.00		
Capital, fully paid	$1,550,000.00	
Capital, partly paid	200,000.00	
	$1,750,000.00	
Reserve Fund	2,575,000.00	
Dividend payable 2nd January, 1925	48,125.00	
Profit and Loss Account, Balance carried forward	53,370.73	
		4,426,495.73
		$9,102,591.10

T. H. MAIN, Manager.

To the Shareholders of The Ontario Loan and Debenture Company:

We hereby certify that we have audited the books and accounts of The Ontario Loan and Debenture Company continuously throughout the year ended December 31st, 1924, and find them correct and the above statements in accordance therewith. We have verified the Cash and Bank Balances, and have examined the Company's securities and find them in order. All our requirements as Auditors have been complied with, and, in our independent opinion and according to the information and explanations given us, the above statements are properly drawn up and set forth fairly and truly the state of the Company's affairs.

All transactions that have come within our notice have, we believe, been within the powers of the Company.

F. G. JEWELL, F.C.A.
J. F. KERN, Auditors.

London, Ontario, 27th January, 1925.

The President, moving the adoption of the report, said in part: —

It is a source of much satisfaction to the Directors to again present so favourable a statement as the one you have now before you, reflecting, as it does, the continued progress of your Company. The dividend distribution has been the same in amount as that of the previous two years, namely 11 per cent. on the Paid Up Capital, and after adding $75,000 to the Reserve Fund and providing for Dominion Income Tax the balance at credit of the Profit and Loss Account is somewhat in excess of that at the end of 1923.

The past year has been one of further re-adjustment and regrettable changes have had to be made among some of our Canadian Financial Institutions. The general feeling is now more optimistic and gradual improvement is looked for, although taxes are still a heavy handicap and retrenchment in expenditure of governing bodies, Dominion, Provincial or Municipal, cannot be said to be conspicuous. Apart from the cost of extra accounting and preparation of requisite returns called for by tax levying bodies, the amount of the taxes actually paid by your Company last year was 30 per cent. of the whole expense of conducting the business. In other words taxes absorbed $3 for every $7 expended for all other operating charges. Surely this cannot be considered reasonable, and it should not be lost sight of that this charge is of necessity passed on to the borrower and forms no inconsiderable part of the rate of interest on his mortgage.

It would appear that Western Provincial Legislators are becoming convinced of the futility of paternal laws for the alleged protection of delinquent debtors and that saner and more honourable views as to the sanctity of contracts are gradually gaining ground.

Your Company's funds have been fairly well employed during the year, but at slightly lower than previous rates, and the total of mortgage loans has again increased as compared with the last yearly statement. Only a few years ago it was feared there would be a famine in money available for mortgage loans. Now there seems indication of an excessive supply.

The Mortgage Loan Company Debenture becomes more popular with people who consider safety first and the total of moneys thus invested in the debentures of your Company payable in Dollars shows a marked increase. Debentures payable in Great Britain have again decreased, but with the return of Sterling to near par it may be anticipated that it will again be possible to bring out Scottish funds, as was our practice for many years previous to the war.

Payments on mortgages are on the whole being well met, those in the West showing notable improvement. The higher prevailing prices for grains probably account for this. The now admitted world shortage of 350 million bushels or more of wheat is likely to keep the price of this food staple above those prevailing in the after war years, at least until next harvest, but the present figure seems quite abnormal and it is hoped farmers will not be misled by it into expecting too much or spending the proceeds of next season's crop before realized.

Sales of Western farms, some of which, in common with other Companies, we have been obliged to take over, have been slow. The total of such properties on hand is not materially different from last year. It has long been the practice of this Company to take these, or other properties which may have come into our hands, into the Statement only at such reduced values as they are reasonably certain to realize when disposed of. These reductions, in actual experience, have proven ample; indeed, it is exceptional if, upon sale, a property does not realize a surplus, often considerably over these figures. Surpluses from such sales have been more than sufficient to take care of the few shortages, but if at any time, unhappily, this should not be the case, a reservation (quite apart from any undivided profits appearing in the Statement before you) has, during past years, been accumulated and would be available for such a contingency.

For the coming year, one dislikes to prophesy. Our most important basic factor is agriculture and indications are that Countries importing wheat must look more and more to Canada's surplus for their supply. This is also the position in regard to pulp and paper, and Canada's production of minerals, save possibly coal, seems likely to increase.

Other favourable indications will occur to you, which I need not detail, all making for the general prosperity of Canada. Your Company is well equipped to participate in any such enhancement and we can have confidence that at least a fair share will come our way.

I have pleasure in moving that the 54th Annual Report be received and adopted.

The Vice-President, Mr. Somerville, in seconding the adoption of the Report, said:

I am sure you are all pleased with the result of the year's business. The Assets have substantially increased so that they are now over the nine million mark and the profits have been well maintained.

A very satisfactory feature has been the increase in our Canadian debentures, an evidence of the confidence of old customers and of many new ones in the City of London and vicinity where the Company is best known.

In this connection the value of Mortgage Companies, such as ours, as thrift institutions is I think very striking, ranking next to, if not equal with our best Life Insurance Companies. Fifty-four years ago, in 1870, when our Company was organized and commenced business and for many years thereafter the outstanding need of the community it served was for the advance of money to borrowers upon mortgage. Much of the money for this purpose came from outside sources chiefly Scottish investors, who have always shown and continue to show great confidence in the Sterling Debentures of good Canadian Mortgage Companies. But with the gradual increase of wealth in our own community convenient, but above all, safe forms of investment became necessary if this increasing wealth was to be conserved. This need has been largely supplied in Ontario by Mortgage Loan Company Currency debentures which have proved a boon to the investor of small sums as well as of large. In our own City the fact that this form of investment has been so steadily kept before the public and made so convenient, has done a great deal in preventing losses through speculative and little known other forms of investment. It has also supplied much of the funds requisite to enable our citizens to build and live in houses of which they are the actual owners.

By investing in these currency debentures the man of small means easily comes into possession of what is in effect better than a real estate mortgage and may steadily add to his holdings in small sums as his savings increase. His thrift is rewarded by a rate of interest but little below the mortgage rate and he is spared all the expense, risk and trouble of lending upon mortgage on his own account. With a Company such as ours, with the guarantee of its large capital and reserve fund he is secure against risk of loss. He has also the satisfaction of knowing his money is being used for the sound and lasting development of the country by supplying capital for the further improvement of farm and city property.

Mortgages held increased during the year by $680,233 to the total of $5,800,795 which the Report shows. The total number of mortgages at the end of the year was 2,819, so that the average amount was only $2,057.75 and all, of course, first mortgages. The largest mortgage the Company holds is under $55,000 and there are only nine which are over $25,000 and none of these is in arrear. Thus our mortgage investments are spread in moderate sums over a large number of properties to a large number of borrowers constituting a very important factor of safety.

Canada is still so essentially an agricultural country that our great national need is the return of agricultural prosperity so long delayed but now presaged by the higher (as to wheat, too high at present) grain prices. That agriculture in Canada will be profitable as world conditions become more settled seems to me inevitable, as our country is so splendidly adapted above all others for the production, economically and in large volume, of world essential food supplies. Progress in efficiency of production and in quality of products has been steadily made during the late unprofitable years. With agriculture again a profitable enterprise the movement of our young manhood to the United States will be reversed, immigration will inevitably and naturally increase, and in due course our farming communities and cities and towns will grow and prosper and our present national problems will be solved.

I have much pleasure in seconding the adoption of the Report.

The Report was then adopted unanimously.

The Scrutineers were then appointed, and the election of Directors proceeded with, Messrs. A. M. Smart, C. R. Somerville, Lieut.-Col. William M. Gartshore, J. M. Dillon, J. G. Richter and Arthur T. Little, being re-elected for the ensuing year.

It was moved by Mr. Alfred R. Magee, seconded by Mr. R. A. Bayly, that Messrs. Frank G. Jewell, C.A., and John F. Kern be and are hereby re-elected Auditors of the Company. Carried.

The meeting then adjourned, and at a meeting of the Board of Directors held subsequently, Mr. A. M. Smart was re-elected President, and Mr. C. R. Somerville, Vice-President of the Company.

Canadian Municipals in the "States"

Next to United States Government, State and municipal bonds and a few of the highest grade corporation securities, the investor in the "States" ranks the bonds of Canada and her great provinces and larger cities. Many States permit savings and trust funds to be invested in such bonds and thousands of other institutions and private investors are in the market for bonds of the provinces and cities of the Dominion.

Public officials in charge of provincial and city finance and bond dealers with securities to market, should not overlook this market in the "States" when seeking buyers for Canadian municipals. Embraced in your bond sales publicity campaigns should be publications circulating in financial circles in New York, Boston, Philadelphia, Chicago, Cleveland, Detroit, St. Louis, and other investment centers of the U. S.

There are in the United States many excellent financial publications. There is one logical place in which to advertise a provincial or municipal bond offering. That is—

THE BOND BUYER

"The Authority on Municipal Bonds"

67 Pearl Street New York, N.Y.

Sample Copy and Advertising Rates on Application

THE

W. G. PRINCE COMPANY

announces the removal of its offices from 112 Manning Chambers to 424 Bay St., Toronto. The company will continue to specialize in life insurance stock and all branches of life insurance.

Telephone: Adel. 3187

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CANADA HAS HAD PAST EXPERIENCE WITH PETERSEN

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report on the heels of government subsidy announcement. Preston has done odd jobs for the government ever since the beginning of the century and has managed to keep himself in the press and in parliamentary questions a great deal. His report is hardly likely to carry as much weight as the report of a judicial inquirer.

That Canada wants Atlantic shipping rates low enough to encourage Canadian business and Canadian farmers is obvious. The shipping companies themselves will benefit from the establishment of a level of rates that will encourage full cargoes and stimulate business. The companies claim that the present level of rates does not give them a fair profit, now; they point to their annual reports, to the price of their shares and the published record of the Canadian Government Merchant Marine in support of their claim. They point out, too, that at the present time the most competitive business in the world is shipping; that the North Atlantic Freight Conference exists merely to prevent useless cut-throat price slashing on ordinary freights; that it does not operate in the establishment of rates on wheat, flour or cattle, and that it is in competition with tramp steamers from all over the world.

The feeling of the shippers is that governmental interference with the rates, that they establish in open competition with ship-owners from all over the world, is unwarranted and unsound.

The Story of Petersen

"Once bit; twice shy" is proven to be a fallacious bit of philosophy, not to be taken too seriously, by the proposal of the Dominion Government to subsidize Sir William Petersen in the establishment of a trans-Atlantic freight service that will, it is hoped, bring down shipping charges between Canadian and European ports. It is nearly a generation since Canada had its last adventure with Petersen; the former experience cost Canada some money and a good deal of prestige and accomplished nothing beyond causing political controversy.

Back in the 90's there was a rather widespread feeling that Canada was suffering because of a lack of fast trans-Atlantic communication. The government of Sir Charles Tupper tried to remedy the situation and tentatively arranged with the Allan's to put on a fleet of 8,500 ton boats to carry passengers and cargoes. The government undertook to give a subsidy of $750,000 a year to the Allan's for the service and the Imperial Government, in the interests of Empire unity, offered to add $375,000 annually to the subsidy. But Tupper's government only lasted ninety days and the agreement was not concluded by the time Sir Wilfred Laurier had taken over the government.

A New Plan Arranged

The new Liberal cabinet set out to arrange on a different basis for the fast service to Britain. They discarded the Tupper-Allan scheme and arranged with Petersen, Tate & Co., of Newcastle-on-Tyne, to put on four boats between Canada and Britain. The advantages claimed for the scheme in comparison with the other were that the boats would be larger—10,000 tons instead of 8,500 tons—and the cost would be smaller as Petersen, Tate and Co. were ready to accept a subsidy of $500,000 a year only from Canada to which the Imperial Government undertook to add its bit. The exact sums mentioned in the contract were £103,000 from Canada and £51,500 from Great Britain. The boats were to maintain a fast service—20 knots an hour—between Liverpool and Quebec in the summer and between Liverpool and Halifax or St. John in the winter months. Passengers were to be accommodated and immigrants brought over at a low rate. Two of the four boats were to be in operation by May 31, 1899 and the other two by May 1, 1900.

Big Deposit Was Made

The government, to protect itself and to insure the good faith of Petersen, Tate & Co., required from them a deposit of £10,000 in cash in addition to a bank guarantee of another £10,000 which was to be forfeited if the contract was not carried out. Much was made of this deposit, which was taken to insure the complete success of the undertaking. In fact, the deposit was used by the prime minister as the basis of a brilliant bit of rhetorical work. He was speaking in Toronto and found occasion to read to the banqueters a telegram he had just received from the minister of finance stating that Petersen, Tate & Co., had made their deposit. This was the signal for outbursts of cheering and caused wide-spread publicity of an optimistic nature. Later events seemed to indicate that there was a variation of anything up to six months in the actual date of receipt of the deposit and the announcement at the banquet. Which is, however, not pertinent to the main issue.

Petersen, Tate & Co. fell down in their contract and failed to establish the service demanded. Their contract deposit was forfeited to the government and the country failed to get the fast service promised. In 1903 the company made representations to the government for the return of its forfeit and a generous parliament, after long debate, returned the money. Not only was the cash returned, but the guarantee, which had never been enforced, was wiped out and three per cent. interest was paid on the money for the full time it had been in the government's possession. Thus a bad bargain was buried.

During the course of the negotiations, the prime minister referred to Petersen, Tate & Co., as "A Newcastle firm, a firm composed as we ascertained, of men of the highest honor, of the highest integrity and the highest competency in their profession."

In answer to a question in the house as to whether or not William Petersen was a German the answer was given that the government did not know, but believed him to be a Scandinavian. A member called out that he was a Dane.

That is, in brief, the story of Canada's former connection with the subsidy of ocean shipping business.

Other Objections to Scheme

Apart from the fact that precedent throws out a warning against the present scheme, it is felt by shipping men and business men in Montreal that the present scheme to subsidize a new line of ten boats of 10,000 tons each, to operate in the Canadian trade, will fail to accomplish anything worth while because it is an artificial interference with economic laws.

The Dominion has already operated boats in the trans-Atlantic service through the Canadian Government Merchant Marine. Almost a score of boats, it is understood, of the C. G. M. M. fleet are on the North Atlantic and as these have been operated at a loss Canada has, in a sense, already been subsidizing ocean tonnage to compete with the independent, privately owned lines, Yet the C. G. M. M. has not been a very apparent factor in reducing ocean rates. In fact, it has "sat in" with the private companies in meetings when rates have been fixed. If the C. G. M. M. has not operated to affect rates in any way, it is not seen how ten boats can have any material effect on rates in a service where some 600 boats are at various times giving service.

How The Conference Works

The North Atlantic Freight Conference, on which the government has declared war, is an association of practically all the steamship companies on the Atlantic. The companies justify the existence of the conference on the ground that there cannot, by the nature of the business, be any supreme governmental rate-making body such as the railway board in Canada or the railway rate board in the United States. The companies have had to provide their own board. The conference aims to establish a level of rates for ordinary commodities in order to prevent useless price cutting, but at all times, it is claimed, competition from tramp steamers and from foreign boats as well as other factors are taken into consideration in establishing rates. "There is no business in the world so competitive in nature as the steamship business," said one big shipping man. That this is not untrue is seen by the fact that tramp steamers took over 60 per cent. of the cargoes out of Montreal last year and there were 25 per cent. more tramps in the harbor than in the previous year.

Where The Scheme is Weak

The chief weaknesses pointed out in the government's present scheme, as an effective stimulus to lower rates for ocean shipping, are:

1. The contract is with a man who has previously fallen down in a contract with the government.
2. It is proposed to provide artificial stimulus for rate reduction in a field that is already affected by competition that, steamship men say, is sufficient to keep rates down to a minimum level.
3. The government through this subsidy will be in competition with itself through the Canadian Government Merchant Marine, and is attacking rates that the C. G. M. M. has helped to establish.
4. The attempt to depress rates is being made with a fleet so small that it will hardly cut any figure at all in trans-Atlantic shipping.

An interesting feature of the scheme is that it seems largely framed to answer the demands of Western farmers for lower ocean rates and to break up the North Atlantic combine. Yet rates on commodities that the Western farmer is interested in are not influenced by the alleged steamship combine at all. Wheat, flour and cattle rates are governed entirely by supply and demand, by barter. Tramp steamers carried over half the grain shipped from Montreal last year.

TARIFF RULINGS

Canadian and Foreign Decisions of Interest to Exporters and Importers

OTTAWA.—The dumping duty on ferro silicon imported from Ontario into the United States has been revoked under a new treasury decision. It is explained that this has been done upon reconsideration of the matter, and upon certain further evidence having been presented.

Concrete building blocks, imported from Canada into the United States, are regarded by the authorities as being properly dutiable under paragraph 214 of the Tariff Act of 1922 at the rate of 30 per cent. ad valorem, as articles composed or in chief value of earthy or mineral substances not specially provided for. A question had arisen as to whether these bulidings blocks should be regarded as building brick, in which case the rate of duty would be 22½ per cent. ad valorem. This is the Canadian rate on building brick and has been adopted in the United States as a countervailing duty, provided for in paragraph 1536 of the tariff.

DOMINICAN REPUBLIC.—The tariff commission appointed by the President of the Dominican Republic to consider a revision of the customs tariff has completed the draft of the proposed tariff act to increase revenue and give further protection to certain domestic industries. The text of this draft has, however, not yet been made public nor presented to Congress by the president.

SPAIN.—All foreign merchandise imported into Spain after February 13, 1925, must be accompanied by the original bill of sale. After March 13 shipments must be accompanied by a duplicate copy of the sales invoice, viseed by a Spanish consul, for customs record to be used for a new extensive valorization plan contemplated for foreign goods.